

CENTRAL INTELLIGENCE AGENCY

THE PRESIDENT'S DAILY BRIEF

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12 MAY 1966

TOP SECRET

23

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50X1

1. North Vietnam

2. South Vietnam

The danger of violence between "strug-gle" forces and their opponents has increased recently in the Hué area.

Yesterday, a district chief opposed to the "struggle forces" was replaced by a man who had taken part in the antigovernment movement. The changeover took place with two companies of I Corps army troops on hand to prevent trouble. Nationalist party militants are said to feel bloodshed is still a "good possibility."

3. Laos

The General Ma affair has been settled, at least for the moment, by compromise. Ma will retain command of the Laotian Air Force, but his head-quarters will be moved to Vientiane where the general staff can better monitor his activities. This face-saving formula may keep the factions in check for a while, but the attempt to undercut Ma will certainly impair the effectiveness of the air force for some time to come.

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Financial talks between the Congolese and the Belgians opened in Brussels today amid conflicting indications as to what may transpire. Congolese President Mobutu is not there

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The Congolese delegation, however, is less volatile than the President and might try to settle for only moderate concessions.

Mobutu may be digging his political grave if he insists on pushing the Belgians too hard.

5. Sweden

A Swedish foreign ministry official has warned one of our diplomats in Stockholm to expect a major demonstration at the embassy over Vietnam sometime during the month. The embassy notes that next Thursday is a Swedish national holiday and this could provide the occasion. Both the Swedes and the Americans are reviewing their security precautions.

6. Chile

Indignation in Chile over the upcoming French nuclear tests is reaching the point where violence may come into play.

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labor leaders of the opposition Socialist Party will use the tests as one of the issues in a students and teachers strike planned to start tomorrow. If the strike goes well the party may call for demonstrations against the French and US embassies.

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7. Dominican Republic

Ambassador Bunker

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chances for free Dominican elections on 1 June are good. He believes the election race is very close.

The ambassador noted that most people in Santo Domingo and most Latin diplomats think a Bosch victory is inevitable; in the countryside, however, it is a different story. Balaguer is strong in the rural areas, and his campaign is well organized there.

On balance, Bunker thinks the results may well turn on the weather or the availability of transport to get the peasants to the polls. Election day falls during the rainy season.

The ambassador is optimistic that the Dominican military will not interfere with a constitutional government. He "hopes" Bosch will accept the election results.

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