

THE PRESIDENT'S INTELLIGENCE REVIEW

ISSUED BY THE
CENTRAL INTELLIGENCE AGENCY



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7 - 9 OCTOBER 1964
~~TOP SECRET~~

1. Congo: The farcical episode in Cairo this week has ended. Tshombé has gone to Paris for a few days before returning to the Congo, and the Egyptian and Algerian diplomats in Leopoldville have crossed over to Brazzaville.

All parties say, however, that diplomatic relations will not be broken. Apart from making the nonaligned conferees appear ridiculous, the main result of Tshombé's astonishing behavior apparently has been to alienate even the leaders who were disposed to give him the benefit of the doubt.

In the Congo, government forces on Wednesday recaptured Uvira from rebels led by "General" Olenga. Some 30 European hostages were rescued. We have no further word about the Americans in Stanleyville.

The Belgian Government is considering a plan for providing Belgian advisers in foreign, financial, and interior affairs who would function as a "Council of Administrative Reconstruction" directly responsive to Tshombé. Although Tshombé apparently has said he likes the idea, he may not in the end be willing to commit himself.

There is also much reluctance in Brussels to put Belgians back in responsible positions in the Congo, largely because of the world-wide criticism Belgium endured in 1960 for its failures in the Congo.

2. South Vietnam: The High National Council is said to have agreed that General Minh should stay on as chief of state in the new civilian government to be installed next month. The council members as yet have no choice for premier, but they are agreed that General Khanh must go.

The council apparently has not determined what to do if Khanh refuses to step down, and members have expressed concern that the US may continue to support him.

The Viet Cong may be in position for an attack in some force on a provincial capital near the Cambodian border.

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The Viet Cong have not attacked a provincial capital in nearly three years. Such an attack now would have considerable psychological impact.

3. Cyprus: UN mediator Galo-Plaza, who has hitherto striven to look on the bright side, apparently has now all but lost hope.

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He has told Ambassador Belcher that he thinks Soviet support has increased the obstinacy of the Greek Cypriots. He also considers it likely that Makarios will return from Cairo with a strengthened hand.

The Turks, he believes, are losing ground and must be induced to compromise. He wants US help in convincing Ankara that a solution pivoted on a NATO base area is still attainable and desirable.

Like the British High Commissioner, Galo-Plaza has come to believe that enosis would be the best solution. He cannot see, however, how the General Assembly could recommend dissolution of a member state, and expects it will recommend self-government and majority rule.

On the question of Soviet aid, we still think that the Greek Cypriots have received only a promise of some aging "defensive" weapons to be sent along later on.

Makarios' supporters, however, are evidently trying to make it appear that much more is involved, partly in order to attract support from Grivas.

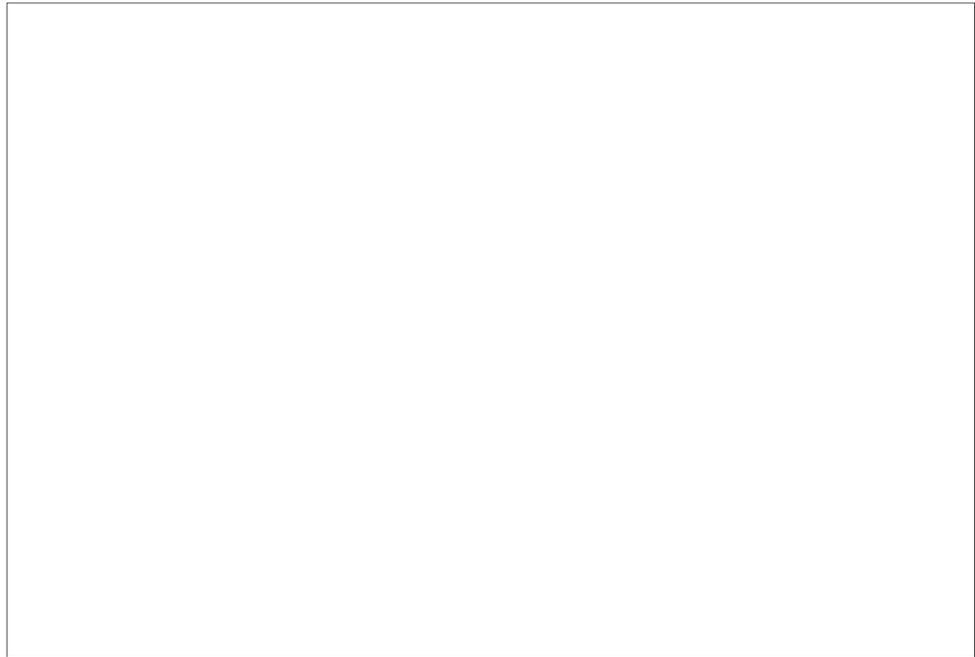
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Cuba-US:



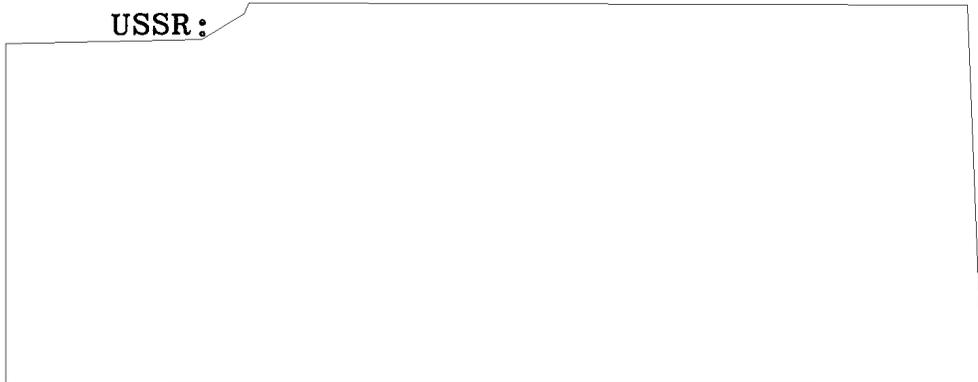
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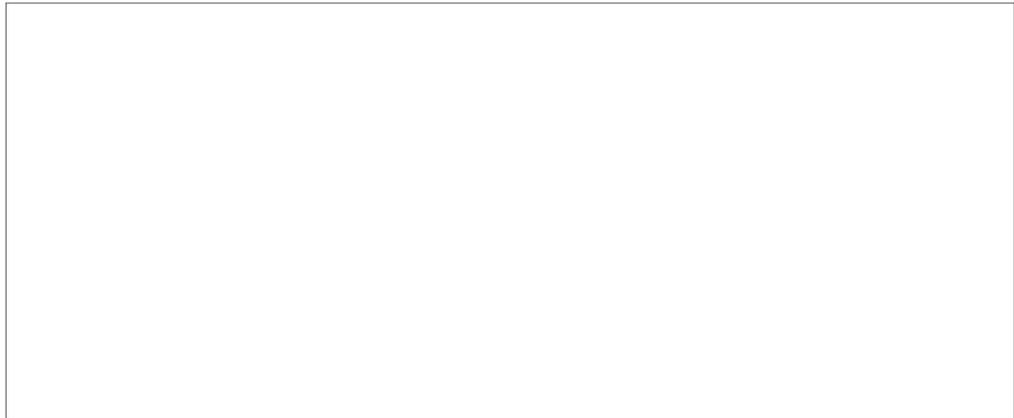


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USSR:



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6. Communist Agriculture: The Soviet harvest is nearly in, and our studies show that this year's grain crop is about 120-125 million tons. Last year's was about 95 million.

This will make large-scale imports unnecessary, and will permit a start to be made on rebuilding state grain reserves, badly depleted after last year's poor crop.

Eastern Europe, with another mediocre crop this year, has already contracted to import 3.8 million tons of grain from the West to tide it over until the next harvests. Poland may be in the market for another million tons from the US.

Growing conditions for the important late rice crop in Communist China, now being harvested, have been fair to good. The outlook is for an over-all grain and tuber take slightly up from last year, but China is still importing more than ever before.

7. UN Arrearages: The prospects are getting dimmer for favorable action by the General Assembly this year on the question of Soviet and French refusal to pay peacekeeping assessments.

The latest blow has been India's statement this week in support of the Soviet position.

The Soviets seem quite confident that a motion to deprive them of their voting rights would be defeated if it should come to a vote. The feeling is growing among the less-developed nations that the matter would best be left to a later session of the assembly.

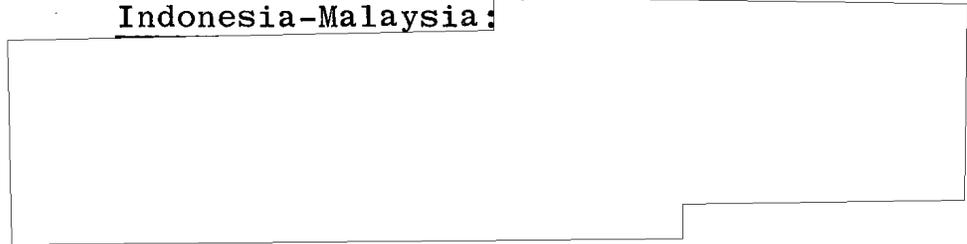
There is even talk of postponing the opening of the assembly, now set for 10 November, in order to sidestep the issue.

8. West Germany - EEC: A year-end crisis within the Common Market over the unification of grain prices is shaping up.

Paris wants a decision in December, but Bonn is procrastinating.

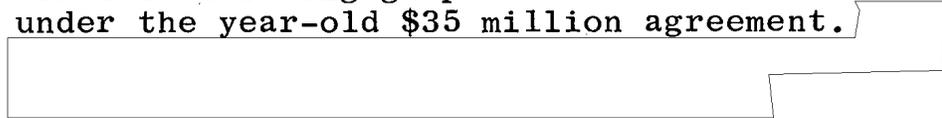
The German Christian Democrats fear they will lose farm votes to the Socialists and the Free Democrats in the 1965 elections. Already there are charges that the German farmer is to be sold "down the river."

9. Indonesia-Malaysia:



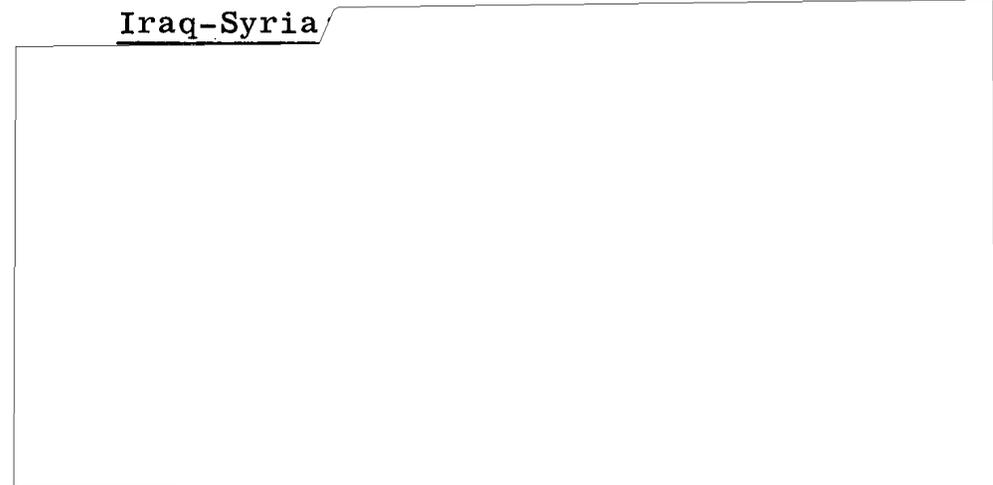
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10. USSR-Somalia: The first Somali military trainees returned from the USSR in mid-August, and Somali forces would now appear to be ready for the first big gulp of Soviet arms due under the year-old \$35 million agreement.

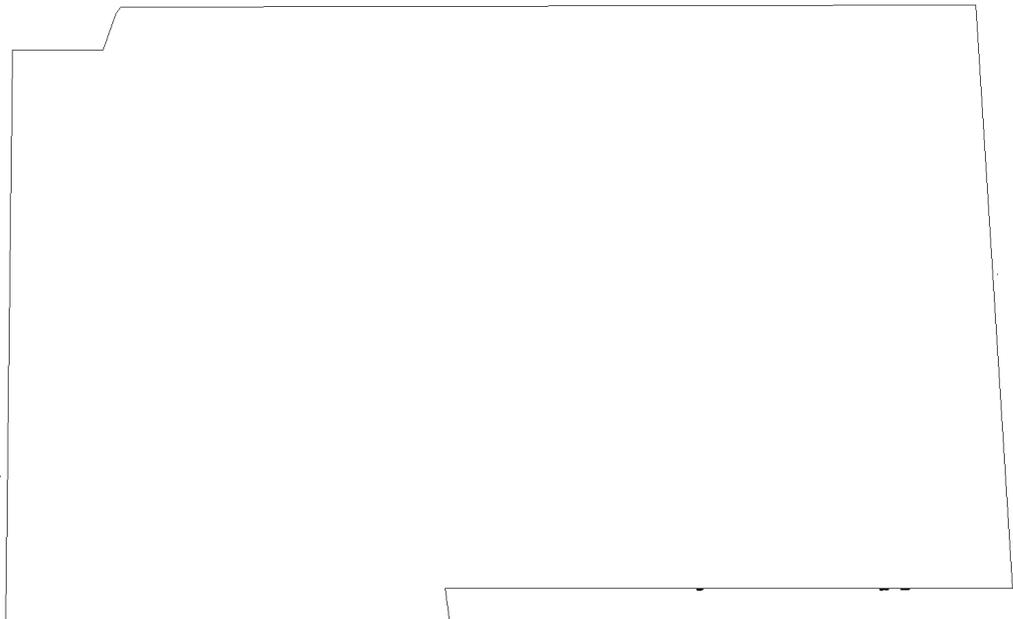


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11. Iraq-Syria



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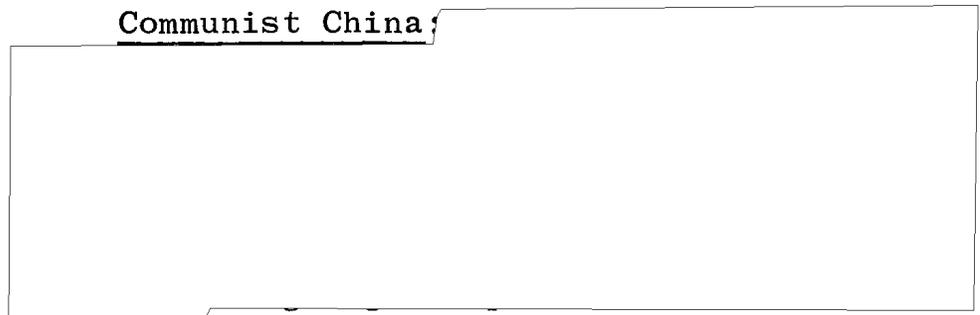
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12.

Communist China



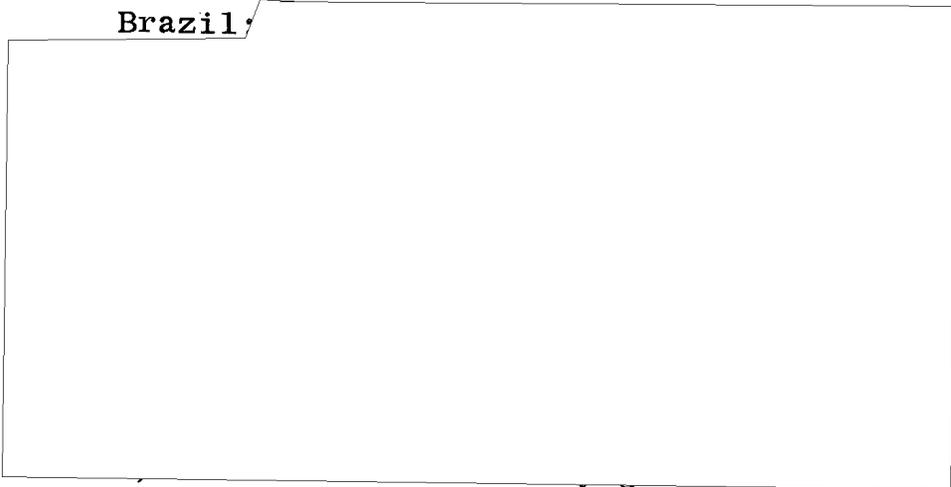
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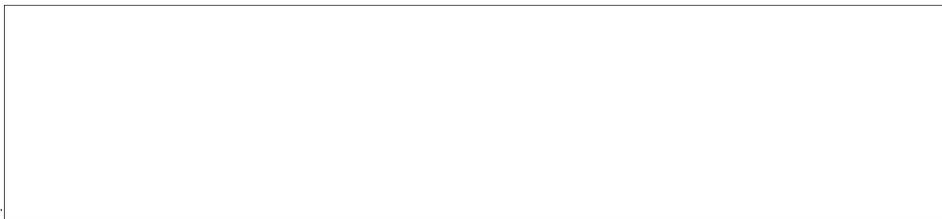
Brazil:



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Venezuela: Yesterday's kidnapping of a US military officer marks the beginning of another offensive by Communist terrorists.



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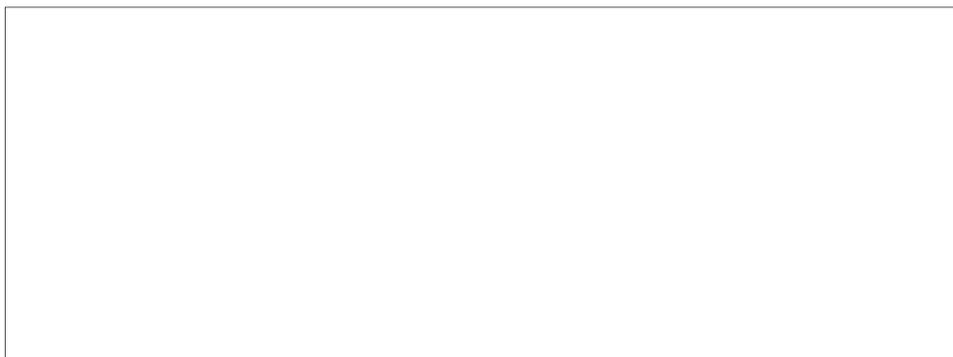
15.

Bolivia: Vice President Barrientos appears to be calling for a showdown with President Paz on a clarification of the vice presidential role.

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Bitter public exchanges are being made,
with Barrientos implying he may use military
support against Paz.



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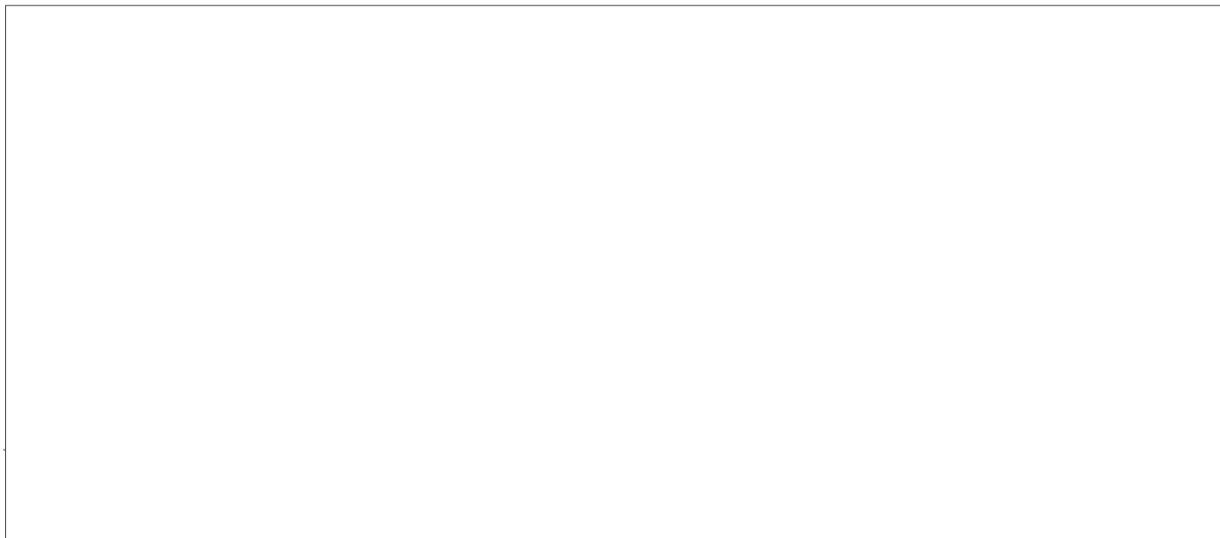
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