THE PRESIDENT'S
INTELLIGENCE REVIEW

ISSUED BY THE
CENTRAL INTELLIGENCE AGENCY

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TOP SECRET
1. **USSR**: One week onward, the broad consequences of Khrushchev's downfall seem to be taking dim shape, but all bets should still be hedged.

The new leaders are going to much trouble to reassure the world that the Soviet Union's policies will remain unchanged.

The East European satellite leaders who hope to remain semi-independent of Moscow are apprehensive, however. Only Zhivkov of Bulgaria, a Khrushchev man, has made a strong pledge of loyalty to the new regime. These men know from experience the unpredictability and the dangers of Soviet succession politics.

Already some of the evidence suggests the beginnings of competition among the leaders in Moscow. The military may be bidding for greater influence and a bigger budget. A struggle for power at the top may well be shaping up.

The displacement of Khrushchev has played into the hands of the Chinese Communists, who will be alert to opportunities to exploit their advantage.

All in all, the events of the past week seem to have harmed the USSR, but the consequences for the US and the West are still very uncertain.
2. South Vietnam: The new provisional charter promulgated on 20 October provides for a chief of state with modest authority and a prime minister who will frame and execute policy.

General Minh is expected to be chief of state. As yet, no prime minister has been named. The charter is supposed to become operative on 27 October.

Khanh's intentions seem cloudy. In talking to Ambassador Taylor on Thursday, he appeared satisfied with the prospect of being armed forces commander. However, he assumed a lofty air of detachment in discussing possible incumbents for other key slots, even those with whom he would have to work closely, such as premier or defense minister.

3. Cyprus: Agreement for opening the Nicosia-Kyrenia road and for the Turkish troop rotation has been announced. We expect a last minute hitch, however, since the Cyprus Government says it has "certain reservations."

Makarios, we hear, has obtained agreement from Grivas and the Greek military officers that they will confine themselves strictly to military matters.

(Cont'd)
In return, the archbishop is said to have agreed to the disarming of Greek Cypriot irregulars, most of whom favor Makarios over Grivas.

We doubt that either side will live up to the agreement.

4. Congo: Some rebel-held areas are suffering the consequences of near-complete disruption of business and agriculture.

In most areas, Congo Army units are stalled, and rebel forces are holding their own. Lack of air support for government forces is one factor holding up operations.

Congolese aircraft have not flown combat missions for a week, and Tshombé is increasingly unhappy about it.

On Thursday, he sent word to Ambassador Godley that President Kasavubu wanted to send a special emissary to "explain the current situation" to President Johnson. General Mobutu, moreover, was said to be sending his principal deputy to the US.

Godley has been trying hard to see Tshombé to stall off these visits.
5. Cuba:

6. Cuba-USSR: Guinea's Sekou Touré says that Cuban President Dorticos, "speaking in the name of the Cuban Government," had told him in Cairo that Havana was "anxious to remove itself from the Communist camp, to become nonaligned and to normalize its relationships with the US."

Even so, Castro and his colleagues seem wary of upsetting their present relationship with the USSR. They are making no comments about the shakeup in Moscow, and postcards bearing portraits of Khrushchev and Castro together are no longer for sale.
7. EEC: The West Germans are casting about in Paris for some sort of compromise on the grain price unification problem. They have little room for maneuver.

Although the French are now saying that De Gaulle's broadside this week was not intended as an ultimatum, Bonn has received it as such, and believes that the blast has made it more difficult for Erhard to knuckle under.

Bonn has told us that Erhard's decision on grains would be easier to make "if the US were also to bring pressure."

The EEC Commission also has strongly implied that US pressure on Bonn could break the log jam holding up the Kennedy Round.

In any case, the belief is widespread that the future of the EEC and of US-European relations is in hazard.

8. Mozambique: Anti-Portuguese harassing activity is increasing.

Raids from Tanganyika by the Mozambique Liberation Front (MLF) have created widespread fear in the north. Communication lines are said to have been severely damaged.

(Cont'd)
The MLF claims 2,000 adherents. It is receiving support from the "liberation committee" of the OAU, probably also from the Chinese Communists, and possibly from the Soviets as well.

The trouble may spread to urban centers, but we believe the Portuguese would still be able to dominate the situation.

Tanganyikan President Nyerere has told Ambassador Leonhart he is deeply worried lest the Portuguese lay on retaliatory operations across the frontier.

9. Bolivia: The student rioting which erupted on Wednesday in Cochabamba has spread to La Paz.

As of this writing, we have no word on how Paz and Barrientos have reacted. If the situation continues to deteriorate, Barrientos might be tempted to seek a showdown.
10. **UN General Assembly:** Most UN members are apparently resigned to postponing the General Assembly opening from the scheduled 10 November date.

The urge for postponement stems from uncertainties created by the new governments in London and Moscow and from the unresolved dispute on peacekeeping arrearages owed by the USSR and France.

Gromyko has said that the Soviets would be prepared to go along with a delay of a "couple of weeks" if others wished this. He was blunt, however, in saying that the Soviets will not pay up. The French are likely to be equally stiff.

11. **Brazil:** Rumors that left-wing elements are hatching plans to assassinate ex-president Goulart in such a way that the blame falls on the Castello Branco government.

The scheme may look attractive to these elements, since, if it can be pulled off, it would simultaneously discredit the Brazilian Government and make a martyr out of Goulart, who has been lukewarm about their plans to sponsor a new revolution in Brazil.
12. **Colombia:** President Valencia is still worried that his minister of war, General Ruiz Novoa, may be on the verge of trying a coup.

Ruiz has indeed seemed to be rounding up support, but we have nothing definite on what he may have in mind.

13. **Communist China:** With a recent contract for 1.5 million tons from Australia, Chinese contracts for wheat imports in 1965 now total 2.1 million tons. We expect to hear of further purchases from Canada, Australia, and France.

14. **Venezuela:** Security forces have now rounded up over half of the 63-man FALN detachment responsible for much of the spectacular terrorism in Caracas, including the kidnappings of Colonels Smolen and Chenault.

This is a setback for the FALN, but will not end its forays.