



CENTRAL INTELLIGENCE AGENCY

THE PRESIDENT'S DAILY BRIEF

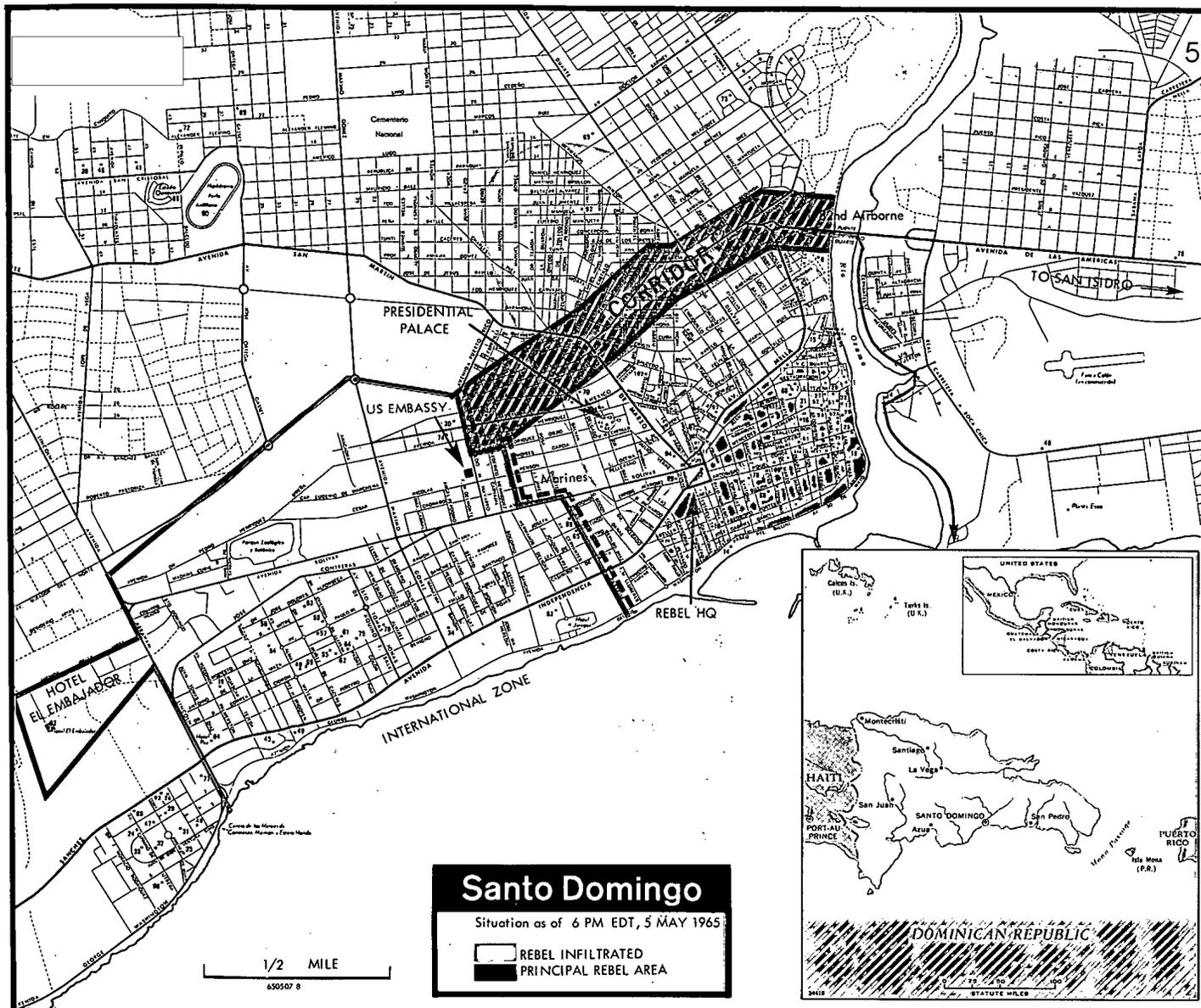


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6 MAY 1965

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DAILY BRIEF
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LATE ITEM

(Information as of 5:00 p.m. EDT)

Dominican Republic

Several firing incidents in Santo Domingo during the day have resulted in US losses.. In one of these, rebels fired on a jeepload of newly arrived marines who lost their way along the line of communications and ended up in the rebel zone. Precautions are being taken to prevent further such straying.

rebel soldiers are filtering out of Santo Domingo, apparently heading for the northern part of the country. Some of these want only to get out of the fighting, but others are hiding their arms and dropping out of sight with the intent of re-emerging at some future time.

In the hinterland, the situation is still relatively quiet and generally under control. There have been scattered manifestations of pro-rebel and pro-Bosch sentiment. Food shortages remain a problem.

Rebel "president" Colonel Caamano continues with an aura of organizational, diplomatic, and propaganda activity to present himself as head of the constitutional government.

There has been little progress, meanwhile, in broadening the antirebel junta into a government acceptable to non-Communist factions.

The first tangible evidence of Latin American support for a multinational force for the Dominican Republic appeared yesterday in the form of two Venezuelan destroyers off San Juan, Puerto Rico. Other Latin American countries are making plans.

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1. Vietnam

A statement on the latest Soviet thinking on Vietnam will probably be made in Brezhnev's VE Day speech in Moscow on Saturday.

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current railroad restrictions in China-- reported in yesterday's Brief--include freight as well as passenger service. The possibility of Chinese troop movements cannot be ruled out, but there is no other evidence that redeployments are under way. The rail restrictions appear to be more in line with the priority shipment of military equipment, possibly Soviet, to North Vietnam.

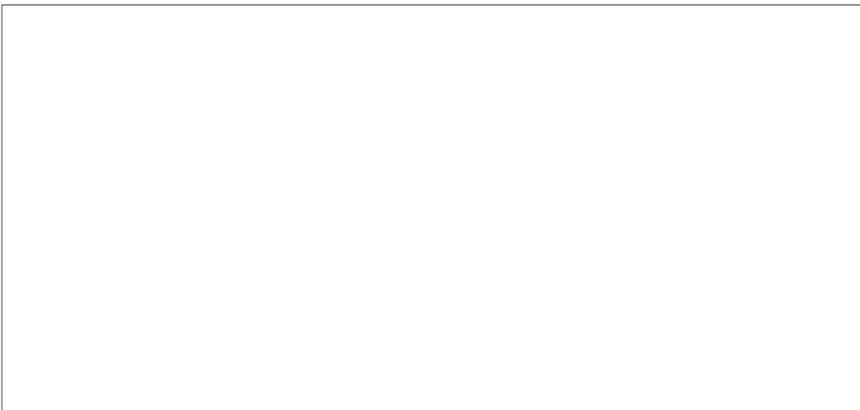
2. South Vietnam

The Armed Forces Council, the body which created the Quat government in February, dissolved itself yesterday by unanimous vote. The Council has provided the power underpinning for Quat but at the same time it has always been a potential rival locus of authority.

Quat's success in persuading the Council to take this step may prove to be a political breakthrough in consolidating his strength. The next few weeks, however, could be very ticklish and test Quat to the fullest. A consideration of the factors involved is at Annex.

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3. Venezuela

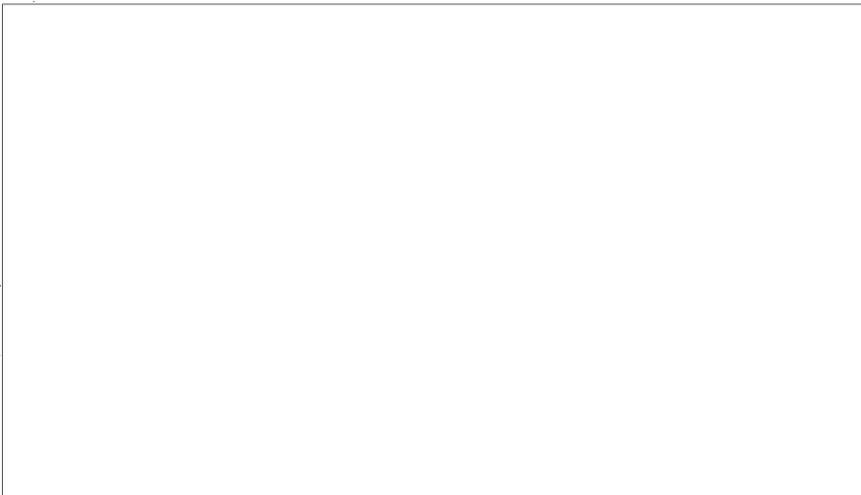


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4. India

Moscow may seize upon Shastri's visit next week as a timely opportunity to offer major new economic aid to India. Ambassador Bowles reports that the present political climate in India would turn even a small Soviet gesture into a significant propaganda coup.

5. USSR



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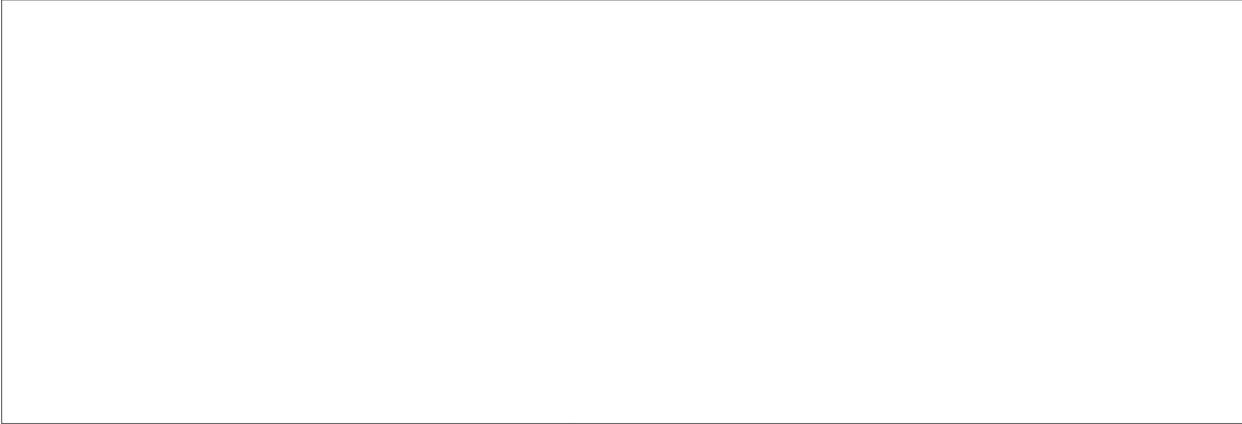
6. Israel

West German - Israeli diplomatic relations will probably be formally established within the next few days. Loud cries will be heard from various Arab states, and the severance of various Arab - West German relations may follow. Bonn has been working hard to soften the blow and hopes relations will be re-established eventually. With the possible exception of Syria, none of the Arab countries are likely to recognize East Germany.

7. Bolivia

Barrientos' efforts to whip up popular support for his presidential candidacy may create serious public disorders.

His peasant supporters, their fervor heightened by cash payments, have blockaded roads around La Paz and Cochabamba and in one town have forced police and other public offices to close.



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ANNEX

Prospects for South Vietnamese Prime Minister Quat

Certain factors have somewhat improved the environment in which Quat has been shaping his government:

- During April the Viet Cong maintained an essentially defensive posture; most major military contact was the result of government-initiated operations.

- Stepped-up measures against North Vietnam and the Viet Cong have led to a fragile but general improvement in morale in the government.

- Business confidence and business activity have increased.

- The refugee problem in the northern provinces has not increased as seriously as was expected.

Quat has moved steadily to energize his bureaucracy and stimulate the counterinsurgency effort, consolidate his personal position, and improve his public image. He seems to have a broader consensus behind him than was enjoyed by past Vietnamese governments.

Certain developments during the past few weeks have again confirmed, however, that the political situation remains basically fragile. Quat's current efforts to reshuffle the military leadership, partly by removing Catholic officers, have exacerbated Catholic fears of political isolation and of a Buddhist-controlled government. The Buddhist leadership is still suspicious of the Catholics, and is actively critical of official corruption. [redacted]

[redacted] Buddhist support for the Quat government has declined due to a "widespread feeling" that Quat has been overly concerned about pleasing everyone.

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Thus far, Quat has demonstrated discrimination and realism in selecting attainable objectives while avoiding issues that could either disrupt progress or destroy the still precarious internal power balance. However, in moving at this time to curb the military leaders, Quat may be overestimating his present strength or possibly overstretching the limits of his political flexibility and adroitness.



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