

*The President's Daily Brief*

~~Top Secret~~ 29 September 1967



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DAILY BRIEF  
29 SEPTEMBER 1967

1. Soviet Union

The latest National Intelligence Estimate on Soviet foreign policy was formally approved yesterday. Its principal conclusions are:

--Soviet leaders have not outgrown a dogmatic attitude that the world should conform to their image of it. Their foreign policies, nevertheless, often reflect an understanding that there are definite limits to Moscow's ability to shape and exploit world events. This ambivalence will probably persist for some time.

--For instance, Soviet anxiety to avoid crises that could lead to a confrontation will probably continue to govern Moscow's policy toward the US. But at the same time, Moscow will be disinclined to seek a significant improvement in relations. The Soviets will remain reluctant to accept extensive arms control and disarmament measures and will probably continue to reject proposals to put real pressure on Hanoi for a settlement in Vietnam.

--Elsewhere, the Soviets are likely to take a prudent approach to China, follow ambiguous policies in the Arab States, and wage an active though wary campaign to expand Soviet influence in the Third World.

--There are apparently persistent disagreements within the Soviet leadership, some of which bear on foreign policy. Among them are the problems of resource allocation and of relations between the political and military hierarchies. There are no signs, however, of an early return to one-man rule.

2. South Vietnam

Ky seems finally to have swung into action to make sure the assembly validates the election. On Wednesday he met with the principal opponents of validation and plans another meeting with them today

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3. Communist China

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4. Arab States

King Husayn is going to Cairo tomorrow in hopes of getting Nasir's agreement on a plan for breaking the Middle East deadlock. The King will urge Nasir to accept the compromise US-Soviet resolution which all the Arabs opposed at the special United Nations General Assembly last summer. If he is successful, he intends to press for Soviet backing during his trip to Moscow next week.

Egyptian officials have already said they could buy a resolution "along the lines of" the US-Soviet resolution. The Soviets, for their part, will want assurances of broader Arab support before they take up the issue again. They have said they will not try to browbeat the wildmen in Syria and Algeria, who presumably still oppose the resolution.

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## 5. Peru

President Belaunde has some difficult days ahead of him. Prospects for economic improvement have not risen appreciably since devaluation early this month and government leaders are afraid the rising cost of living will lead to disorders. Wrangling has intensified within the President's own party, further eroding public confidence in the administration.

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## 6. Hong Kong

Relatively moderate Communist leaders seem to be gradually getting the upper hand over the militants who favor continued violence. Terrorism has been kept at a minimum for the past week. Moderate leaders still feel obliged, however, to stress that they favor efforts to erode British authority and to imply that limited terrorism is justified.

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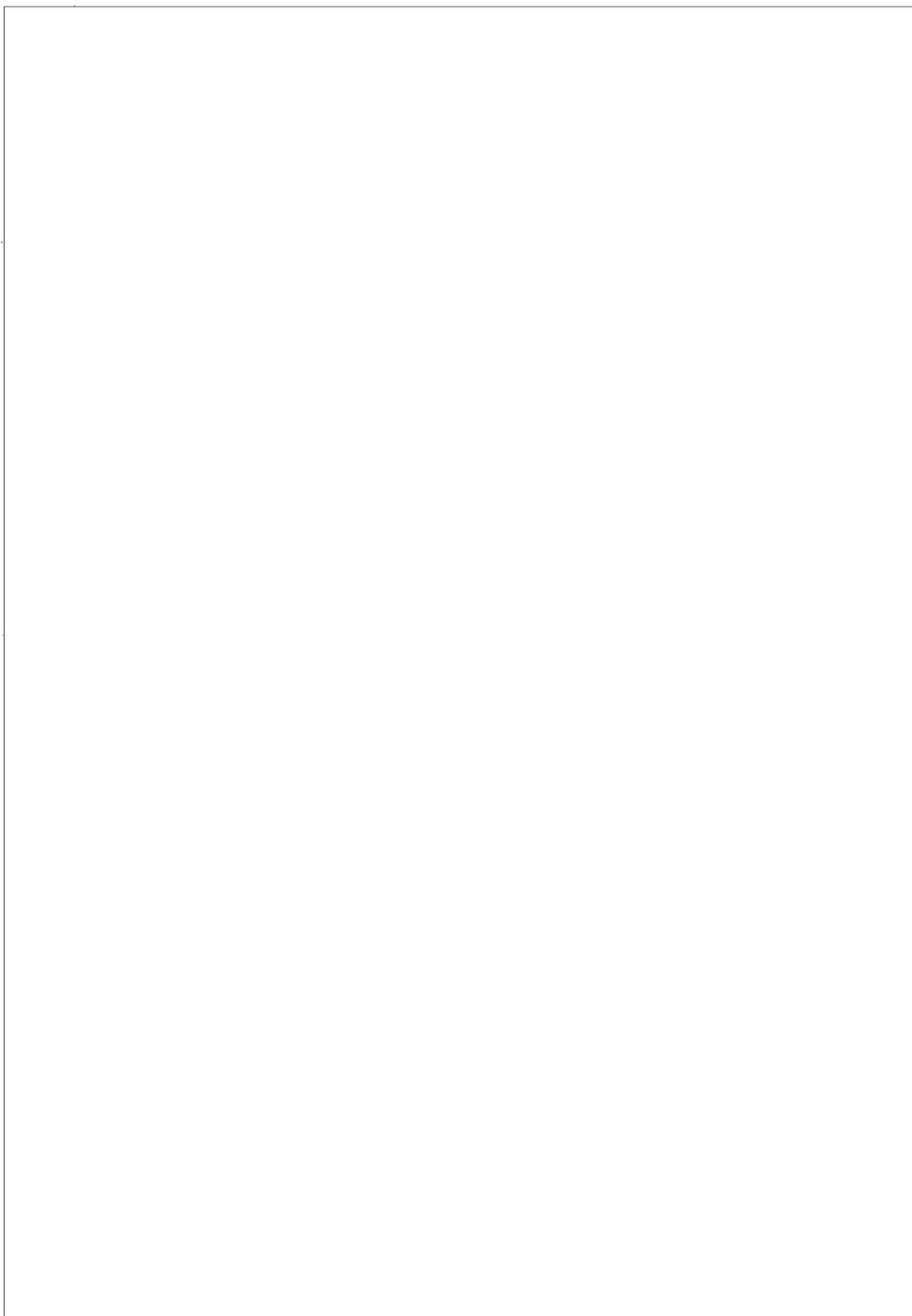
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