

THE PRESIDENT'S INTELLIGENCE REVIEW

ISSUED BY THE
CENTRAL INTELLIGENCE AGENCY



25 - 27 MARCH 1964 50X1
~~TOP SECRET~~

27 March 1964

1. Cyprus: The island has been relatively calm all week. General Gyani arrived on 27 March, and UN mediator Tuomioja is expected next week.

Nearly all the 1,150-man Canadian force is there. A few Swedes and Finns have arrived and a total of 700 each, along with 600 Irishmen, are expected in the next few weeks. These, added to the 3,500 British who will remain, make 6,650, only 350 short of U Thant's original target of 7,000.

One of their first jobs will be to resolve the conflict over the UN's role. Makarios continues to insist on the UN forces working in conjunction with local security forces. He wants the UN to help disarm both Greek and Turkish irregulars, a job U Thant feels belongs to the Cypriot government.

The Greek Cypriot leadership appears to be splitting. Interior Minister Georkatzis is reported pushing for enosis--union with Greece--in an effort to undermine Makarios. There has been a recent resurgence of Greek Cypriot feeling in favor of union.

Makarios probably opposes the idea since it would almost certainly cut heavily into his own political authority. Since the enosis movement is strongly anti-Communist, Makarios may be forced to turn to local Communists for support in fighting it, or try to take over its leadership himself.



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2. Turkey: In Turkey, Inonu's government is heading into a showdown with the opposition Justice Party over Inonu's tax bill.

The Justice Party appears determined to defeat the measure and may be able to marshal enough strength in Parliament to do so.

Inonu threatens to resign if he does not get the bill passed.

3. South Vietnam: General Khanh's prospects appear to be improving.

he is gaining the respect of the military by his conduct of operations against the Viet Cong. These operations have been producing some favorable results.

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In the north, Khanh is ingratiating himself with civilian political party leaders by giving them administrative authority. They appear now to be building a strongly anti-Communist and popularly based administrative structure. A drawback here is the possibility that his moves may cause political feuds within the faction-ridden parties.

Communist activity, however, has risen substantially. Armed attacks in the Mekong delta have increased sharply, and Viet Cong pressure in the northern coastal plains continues. The Communists are also stressing harassment of communications lines and routes.

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Khanh, meanwhile, has asked De Gaulle to make a public disavowal of neutralism as a solution to the South Vietnam problem. He offered in return to lift economic restrictions and appoint an ambassador to Paris.

The French tell us this sounded too much like an ultimatum, which would make the general bristle.

4. Brazil: The Brazilian armed forces are beginning to step on stage.

About 600 naval and marine enlisted men in Rio demonstrated for radical reforms on 26 March.

No violence occurred and the government seems in control. The incident adds, however, to concern over the reliability of the armed forces for controlling political excesses.

High-ranking military leaders [redacted] [redacted] are [redacted] organizing to keep Goulart within constitutional bounds. [redacted]

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Keeping the politicians in line has been a traditional role of the military in Brazil. However, there is some doubt that the armed forces will act decisively enough in this case to curb Goulart.

[redacted]

5. South Korea: Another 20,000 students demonstrated in Seoul on 27 March, the fourth straight day.

The pressure on the Pak regime has brought the recall of Kim Chong-pil from his negotiations in Japan. Prospects for the critical South Korean-Japanese fishing agreement now seem dimmer than ever, although talks will continue.

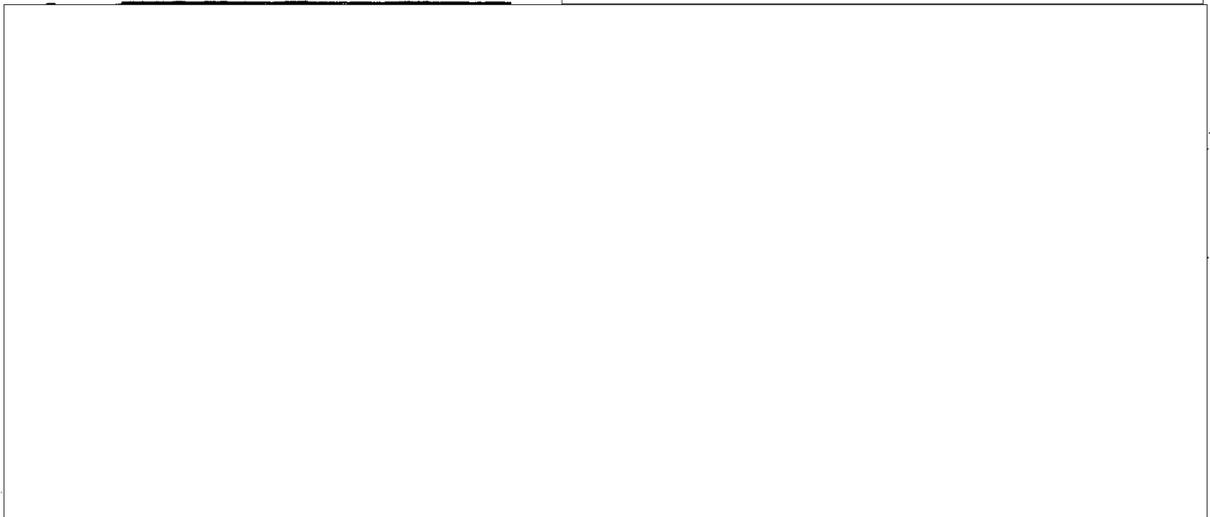
The demonstrations have the backing of Pak's political opponents, who see them as a means of ousting the regime, as happened to Rhee in 1960.

So far there have been few anti-American overtones to the demonstrations. If Pak feels himself in real trouble, however, he might attempt to deflect the agitation toward the US.

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6. Sino-Soviet Dispute:

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[redacted] there will be a meeting of East European Communist leaders in Moscow during the celebration of Khrushchev's seventieth birthday on 17 April. This is likely to be a big occasion, and other Communist leaders will be in town to pay their respects.

The Soviet Premier may take advantage of the occasion to push his scheme for a meeting of all Communist leaders to deal with the Chinese. A number of parties question the wisdom of such a conference, however, fearing it could have no other result than to widen the breach in the world movement.

7. Libya: Libyan parliamentary opposition leaders have indicated they would accept a government agreement giving the US and UK three to four years to withdraw.

Prime Minister Muntassir had earlier told us that he thought two to three years would be reasonable. He wants the US to start negotiating within a month. The UK has agreed to begin discussions with the Libyans this weekend.

8. Panama: Banana workers in western Panama have struck the United Fruit Company, idling about 1,000 of the company's 5,000 employees in the area. There is a possibility that the strike may spread after Easter. Bananas are Panama's primary source of foreign exchange.

9. Spain-Panama: Out of deference to the US, it says, and in order not to complicate our problem with Panama, Spain has turned down an urgent Panamanian request for a \$10 million loan which the Panamanians said was needed to "forestall strikes and prevent chaos."

10. Zanzibar: Zanzibar appears now to be only a step away from becoming Africa's first Communist state.

President Karume seems almost willfully unconcerned, as Foreign Minister Babu strengthens his pro-Communist apparatus. Last Wednesday's cabinet changes brought all the key government jobs under his control.

Karume is also wallowing in the fine treatment being accorded him by the USSR. [redacted] Soviet military advisers will soon begin training a Zanzibar army.

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East African leaders lament the situation, but are not prone to do anything about it. [redacted]

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11. France-USSR: Khrushchev's son-in-law, Alexei Adzhubei, is due to visit France shortly as a guest of the France-USSR association.

[redacted] so far he has not requested any interviews with government officials. However, we doubt Adzhubei would pass up the chance of a chat with De Gaulle. Meanwhile Edgar Faure, whose visit to the USSR was postponed at the beginning of March, left for Moscow on 26 March.

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12. India-Pakistan: Ayub has accepted Nehru's offer of ministerial talks, which should have a calming effect on the Hindu-Muslim conflict. Ayub is likely to try to bring Kashmir into the talks, but the Indians will probably want to limit them to removing some of the causes of communal tension.

13. Gabon: President Mba apparently still intends to play rough with the opposition, and may have to pay for it.

He is likely to use more brutality and repression to cow his enemies before the 12 April elections. His principal opponent, Jean Aubame, is already in jail. There is some concern in Libreville that Mba may have him executed or murdered.

The result could be more anti-government and--the same thing--anti-French riots.



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14. British Guiana: The threat of a general labor tieup is receding. Jagan appears to be losing his fight to woo Guianian sugar workers away from his bête noire, the Trade Union Congress. He is unlikely to give up entirely, but violence has abated and large-scale trouble appears at least temporarily averted.

15. France: France appears to be considering construction of a space or missile test facility in French Guiana.

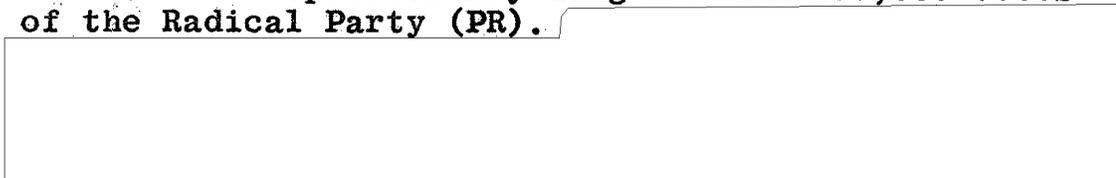
In his major speech in Cayenne on 21 March, De Gaulle said that France is determined to overcome the obstacles of nature in Guiana, and that important developments have already begun there. A source of the US consul in Martinique reports that the "fact" that a missile range is being planned is fairly widely known in Cayenne.

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These and other reports refer to the construction of a military missile test site, but a space-associated facility would be more likely. France must give up its missile/space facility at Colomb Bechar in the Sahara in 1967, and it is building a new military missile test site south of Bordeaux.

A major project would have several political advantages from De Gaulle's point of view. In addition to supplying a reason for developing the economy of the area, it would encourage immigration from the French West Indies. Announcement of such a project would assist De Gaulle's effort to build French prestige in Latin America.

16. Chile: The outcome of the Chilean presidential election in September may hinge on the 400,000 votes of the Radical Party (PR).



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