



CENTRAL INTELLIGENCE AGENCY

THE PRESIDENT'S DAILY BRIEF



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30 NOVEMBER 1965

~~TOP SECRET~~

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DAILY BRIEF
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1. Communist China

Chinese units along the Indian border continue on a modified alert status.

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Intercepted Chinese Air Force messages indicate that Peking may for the first time have deployed a few bomber aircraft to Tibet.

Concurrent with these developments are continuing minor border clashes and numerous protests and counterprotests over alleged Indian and Chinese border incursions. Both sides continue to make use of the excellent weather for aggressive forward patrolling. More clashes are likely, but there is no evidence suggesting a major Chinese assault on India in the near future.

2. North Vietnam

Hanoi is sending one of its Politburo members, along with a group of economic experts, on another trip in search of aid. The group is now in Peking, and will go on from there to the Soviet Union and North Korea. Peking's attitude toward the delegation so far has been correct but not particularly enthusiastic.

The same emissary from Hanoi made a similar trip less than six months ago. This could mean that the North Vietnamese have run into trouble getting earlier agreements carried out or that their situation has deteriorated enough recently to require more help.

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3. Indonesia

The army is continuing to make gains against the Communist Party and some of its allies. Almost the entire top leadership of the party has now been captured.

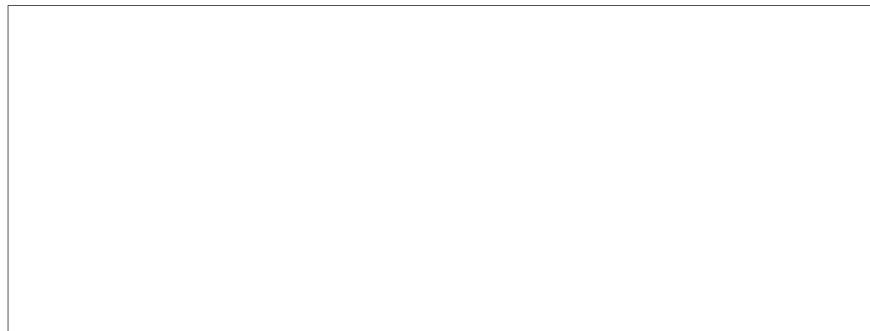
A ranking US Embassy officer gathered the impression during a recent interview with Sukarno that he is now reconciled to the elimination of the Communist Party itself as a political force.

Sukarno nevertheless retains considerable room for maneuver. There is no reason to believe that he has gone back on his conviction that Communist elements must be preserved in some form as a balance against the army in the national government.

4. Soviet Union

The Soviets may be preparing for another attempt to make a soft landing on the moon. Two of their space event support ships are in place and the moon will be in optimum position between 2 and 6 December. Their most recent effort, launched on 4 October, crashed on the moon's surface.

5. France



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6. France

De Gaulle's followers are becoming concerned over the president's prospects in Sunday's election. They had hoped he would win at least 60% of the vote, but the latest polls show a sharp drop in his popularity and some Gaullist leaders now concede that he may not even receive an absolute majority.

De Gaulle would undoubtedly win a runoff election, but this would diminish his personal prestige.

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7. Brazil

The military hard-liners are threatening to get out of hand again.

One of their popular leaders was arrested early this week. He had publicly protested President Castello Branco's pledge to permit the inauguration on Sunday of Negrao de Lima, recently elected governor of Guanabara State. Negrao de Lima is anathema to the hard-liners.

The situation is discussed further at Annex.

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8. Ecuador

The ouster of Colonel Freile from the ruling junta yesterday is a reflection of the continuing rivalries within the Ecuadorean military establishment. Several air force commanders, known to be Freile supporters, have also been removed.

Freile is now said to be under detention, but will almost certainly be heard from further. He has an overriding ambition to be president.

9. Communist China

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ANNEX

The Political Situation in Brazil

Current developments in Brazil reveal a number of trends that are disturbing. Most serious is President Castello Branco's inability to head off pressure from the hard-line army officers. These officers periodically raise protests against the government, protests which are now becoming more vocal and more serious.

At the moment, the President is under heavy criticism for refusing to prohibit the newly elected governor of Guanabara, Negrao de Lima, from taking office on 5 December. [redacted] Negrao de Lima's close association with former president Kubitschek and his public acceptance of Communist Party support during the campaign make him the symbol of the corruption and softness toward Communism that the military revolt of early 1964 hoped to eliminate. [redacted]

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Castello Branco realizes that he must check the erosion of discipline within the army. He is moving to place his supporters in key posts, particularly in the First Army, which is headquartered in Rio de Janeiro where hard-line strength is centered. The President's prospects for regaining full control over the military have been hurt, however, by what seems to be the beginning of a serious split between him and War Minister Costa e Silva, a powerful figure in the armed forces. Differences between Castello Branco and the war minister are likely to grow because of the president's unwillingness to support Costa e Silva's presidential ambitions. [redacted]

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Complicating the situation are opposition political leaders, such as Carlos Lacerda, who are working on the sidelines to exploit the unsettled conditions by goading the hard-liners into open conflict with the regime.

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Thus, Castello Branco's authority is in jeopardy despite the vast powers that he received under the Second Institutional Act of 27 October. Part of the problem, of course, is that he is basically a moderate and does not want to impose a dictatorship. The danger is that, should another crisis develop, he may feel forced either to wield fully the unlimited authority open to him under the Institutional Act or resign out of helplessness.

Unless the pressures from the hard-liners are contained, Brazil may fall under a full military dictatorship. Were Castello Branco to win out in a confrontation with the officers the dictatorship would be relatively benign and cordial to US interests. Should the hard-line win out, the resulting regime would be ultranationalist, repressive, and might well ultimately result in widespread domestic disorders. In either case, the inevitable worsening of relations between Brazil and the majority of Latin American states would seriously complicate US diplomacy in the hemisphere.

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