

SECRET

C O N T E N T S

(Information as of 1200 EDT, 19 September 1963)

<u>CUBA</u>	<u>Page</u>	25X1
FRICIONS IN SOVIET-CUBAN RELATIONS	OK1	
Moscow appears anxious to reassure Castro that US-Soviet detente will not weaken its support for Cuba, as he seems to fear. Other probable sources of friction are: disagreement over means to counter exile raids, Castro's silence on the test ban treaty, and his effort to appear neutral in the Sino-Soviet rift.		
MILITARY DEVELOPMENTS IN CUBA	OK ₂	
Soviet military personnel continue to leave as Cubans take over advanced weapons.		
HAVANA PREPARES FOR ARCHITECTS CONGRESS	4	25X1
The Castro regime is going all-out to make this bona fide international gathering--scheduled for Havana before Castro went "socialist"--a resounding propaganda success for Cuba.	OK	
<u>THE COMMUNIST WORLD</u>		
MORE POSITIVE SOVIET ATTITUDE ON OUTER SPACE PACT	OK 5	25X1
Soviet delegates at the recent session of the UN Outer Space Committee indicated Moscow may be seriously interested in reaching agreement with the US on peaceful uses of outer space.		
USSR MAKES LARGE WHEAT PURCHASES ABROAD	6	
Persistent harvest shortfalls have forced Moscow to buy sizable quantities of Canadian and Australian wheat. These purchases, added to the expense of building up the chemical fertilizer industry, are bound to strain the Soviet balance of payments.		
GDR THREATENS TO END INTERZONAL TRADE PACT	7	
Its action stems from an EEC-directed proposal by Bonn to stop paying preferential prices for East German oil. Since neither side wants to end interzonal trade, mutual concessions can be expected.		
COMMUNIST CHINA'S FOREIGN TRADE	OK	
Trade in 1962 was 40 percent below 1959, mainly because of the decrease in trade with the USSR and the satellites. Peiping now seems to be trying to pay off its obligations to the USSR and minimize future purchases there, and it is investigating trade prospects in the free world. (Published separately as Special Report OCI No. 0298/63A)		

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ASIA-AFRICA

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25X1

SITUATION IN SOUTH VIETNAM

OK
10

Martial law has been lifted and a new date announced for elections, but rumors of new demonstrations and reports of plotting continue.

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INDONESIA CONTINUES FIGHT AGAINST MALAYSIA

Rioting against British and Malayan installations and property in Indonesia followed the establishment of Malaysia on 16 September, and further incidents, in the Borneo territories as well as in Indonesia, are likely.

OK

[Redacted]

EGYPT AGAIN FACING ECONOMIC CRISIS

Many of the Nasir regime's economic problems are chronic, but its recent financial practices and policies have made the international financial community most reluctant to come to its aid.

12

OK

25X1

[Redacted]

PUBLIC ORDER PROBLEMS STILL PLAGUE CONGO

Tshombé's former Katangan gendarmerie is again becoming active, while the UN continues to think primarily of withdrawal.

OK 14

[Redacted] 25X1

EUROPE

DIFFERENCES WITH US MAJOR TOPIC OF EEC COUNCIL MEETING

Many EEC officials foresee an atmosphere of recrimination at next week's EEC Council meeting that may doom all chances for the success of the "Kennedy Round" of tariff negotiations.

15

~~[Redacted]~~

POLITICAL IMPACT OF FRANCE'S AUSTERITY PROGRAM

The anti-inflationary program announced last week is probably aimed at parrying new wage demands, but could also be intended to create a favorable atmosphere for a re-election bid by De Gaulle next spring.

16

OK

REPERCUSSIONS OF ITALY'S IPPOLITO SCANDAL

Revelations of conflicts of interest in the government Nuclear Energy Committee are causing a political uproar that may complicate maneuvers this fall to form a new government.

17

~~[Redacted]~~

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EUROPE (continued)

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THE TRANSITION TO ERHARD IN WEST GERMANY

OK 18

Outgoing Chancellor Adenauer expects to retain influence as chairman of the ruling party, although party leaders look forward to his leaving that post as well next March.



AREA NOTE

Finland

18

OK

WESTERN HEMISPHERE

THREATS TO REGIME OF DOMINICAN PRESIDENT BOSCH

19

OK

Bosch's growing political isolation seems to be increasing chances of his ouster, with extreme leftist elements the possible long-range beneficiaries.

EFFECTS OF SERGEANTS' UPRISING IN BRAZIL

20

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OK

The radical left has defended the abortive revolt, and the possibility of a Communist-instigated general strike continues. On balance, the uprising seems to have undermined President Goulart's authority to some extent, and he may face new pressure from the military for strong anti-extremist measures



PERUVIAN INDIANS AGAIN "OCCUPYING" PRIVATE LANDS

21

OK

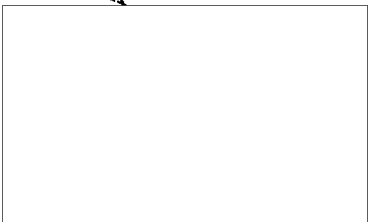
The new Belaunde administration fears their incursions--recently instigated by the Communists--will complicate its efforts to enact land reform, and possibly lead to bloodshed.

AREA NOTES

Argentina and Uruguay

22

OK



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