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Copy 1 of 4

2 June 1966

MEMORANDUM FOR THE RECORD

SUBJECT: DCI Briefing of CIA Subcommittee of House Appropriations,
2 June 1966

1. The Director, accompanied by Colonel White, Dr. Wheelon, Mr. John Clarke, and Mr. Houston briefed the CIA Subcommittee of House Appropriations on 2 June 1966 at 10:30 a. m. Present for the Subcommittee were:

- George H. Mahon, Chairman
- Frank T. Bow
- Glenard P. Lipscomb
- Robert L. Michaels, Staff Assistant

2. The Chairman opened with questions on the research and development budget submission and asked how the submission tied in with [Redacted] Dr. Wheelon briefed on the R&D program and the NRO problem, saying that our share would be unknown until it was finally set by the Director, NRO. Dr. Wheelon then gave details on some of the specific R&D projects involved. The Subcommittee expressed special interest in [Redacted] The Director stated it might be the biggest intelligence breakthrough since the overhead camera. Mr. Mahon asked if the Russians knew what we are doing, and the Director said they will know it is there but probably will not know what it is for. Mr. Mahon inquired how CIA could have people who are qualified in these highly sophisticated fields, and Dr. Wheelon pointed out his own training and background and the type of people he recruited. Mr. Mahon asked if industry participated, and the Director said they did a good deal of it and in this connection we were program managers. He pointed out that both Mr. Flax and Mr. Foster were complimentary on the competence of our people.

3. Mr. Mahon asked about the cutback on Cuban operations.

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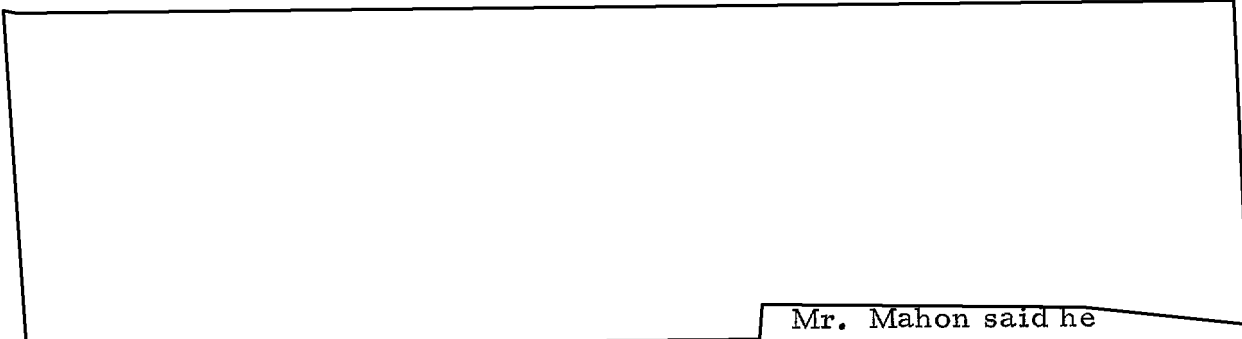
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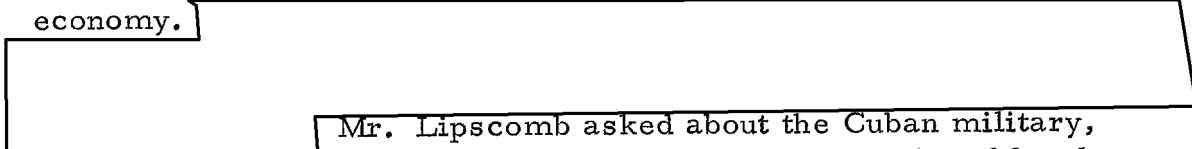
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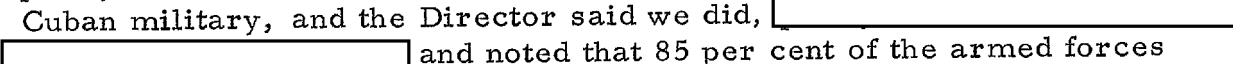


Mr. Mahon said he assumed Castro has to raise a fuss as he recently did to persuade the Russians to help him. The Director said this was part of the act, but also it was an exercise in mobilization and a move to detect counterrevolutionaries. Mr. Mahon asked if the President and the Secretary of State were satisfied on intelligence in Cuba, and the Director answered in the affirmative. Mr. Mahon asked how much Russian aid is given to Cuba, and the answer was they had been given about \$350,000,000 to \$400,000,000 a year, which is a fairly steady total for the last two or three years although the emphasis now is less on military and more on trade items.

4. Mr. Bow asked further about the Cuban situation, and the Director said the internal situation was not good, particularly its economy.



Mr. Lipscomb asked about the Cuban military, and the Director said they were at considerable strength and loyal. He said Castro had drawn back on his earlier efforts to subvert other Latin American countries from his attempts on some 22 countries a year ago to concentrate on three countries now. He also noted that he was attacking President Frei of Chile. Mr. Bow said he did not think much of Frei, but the Director said comparatively he stood up pretty well. Mr. Lipscomb asked if we had good information on the Cuban military, and the Director said we did,



and noted that 85 per cent of the armed forces now belong to the Communist Party.

5. Mr. Mahon asked about personnel, noting a proposed increase from [redacted] and asked for the cause. Colonel White noted that [redacted] had been included in the supplemental request for Southeast Asia and briefed further on the other increases, including NPIC. Dr. Wheelon briefed on budget items connected with [redacted] operations involving Russian missile ranges. The

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7. Mr. Lipscomb asked why FBIS was not run by State or the Voice of America, and the Director said its purpose was to collect intelligence and this was our responsibility. Colonel White gave the history of FBIS, and Dr. Wheelon noted this was one among other services of common concern in accordance with the statutory concept. Colonel White noted how FBIS had reacted in connection with the Dominican crisis. Mr. Lipscomb asked how many copies were issued, and Colonel White offered to supply the breakdown to Mr. Lipscomb. (Colonel White furnished this information, and Mr. Warner will arrange for its delivery to Mr. Lipscomb.) Mr. Lipscomb asked if the reports were actually used, and Colonel White said we put out periodic questionnaires and if any customer did not respond he was automatically cut off. In all cases they had requested to be put on distribution again. Mr. Lipscomb asked how many people were involved, and Colonel White said [] people in 1967 with a budget of []. The Director emphasized it was a very important function, and Dr. Wheelon made the point that if the function were carried on by a policymaking organization the reports would tend to follow policy. The Director concurred, saying the objectivity of CIA must be retained and that he had had considerable experience in the past of the effect of policy on intelligence and this was why Mr. McNamara came to CIA rather than DIA for his information. Mr. Lipscomb asked if the newspapers know that FBIS is CIA, and on being answered in the affirmative asked what would happen if someone wanted to know the cost of the operation. Colonel White said we simply would not tell them.

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8. The Director briefed on the assessment of the troubles in Red China, particularly the struggle for power and the fact that this had practically eliminated the propaganda against the United States and South Vietnam. Mr. Mahon noted that he had met with Chou En-lai and Mao Tse-tung with Ambassador Hurley in 1945 and

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was impressed with Chou as a smooth and smart official. The Director noted the heir apparent is very militant and answered affirmatively to Mr. Bow's question as to whether he might be the type that would use the A-Bomb.

9. Mr. Mahon asked if there was a possibility that the South Vietnamese would sue for peace. The Director said our judgment was that there would be a minimum of three years and more likely five years before we could start moving our troops out of South Vietnam. He felt that the large pattern of bigger attacks would drop off and they would go back to straight guerrilla operations but would need U. S. military strength and the political action teams until the basic structure was strengthened. He noted that Red China could take stronger action much as the activities were being beefed up [redacted] which needs additional assistance. He said Sihanouk in Cambodia goes with the wind and that we had a report that he was possibly on his way out, but with the long, slow process similar to Sukarno's elimination this might take five years.

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10. Mr. Bow asked about General Larsen's report on the Vietcong and North Vietnamese in Cambodia, and the Director said we agree to the extent that they use Cambodia but do not say that they are based in Cambodia. He said we should hit the situation in [redacted] early and noted that U. S. military aid is not going there as fast as our Ambassador would like. Mr. Mahon noted that Indonesia seemed to be the only bright spot, and the Director noted that in the Indonesian-Malaysian situation there was still some hard bargaining and the status of Singapore would be a sore point between them. He noted the Indonesian economy was bad and answered affirmatively Mr. Mahon's question about the killing of some 300,000 Communists in Indonesia.

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11. Mr. Mahon noted that Chinese intelligence must think the United States is absorbed in a power struggle with the opposition of Fulbright and Morse, the domination of racial problems in the news, and similar problems carried by the United States press. The Director said he felt Chinese intelligence was good. He noted the Chinese have started up their heavy bomber program, presumably to achieve a delivery system for the A-Bomb.

12. Mr. Lipscomb expressed considerable concern at the way the Executive Branch was handling publicity on various items, such as the question of the shutdown of the plane over China and

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the question of General Larsen's claim of troops in Cambodia, and pointed out that first we deny then we admit or equivocate and he wondered if this would not hurt our credibility abroad. The Director said it did and that the problem is that the people who make such statements should coordinate more carefully before they talk. For instance, in the case of General Larsen's statements, DIA does not believe there is sufficient information to back them up while CIA believes there is.

13. Mr. Mahon said he felt sorry to have expressed so much pessimism but he felt we would be in a state of war in one degree or another for the rest of the century. The Director said his view was that if we were to try to negotiate with the Communists we must at the same time intensify our military effort as this is the only type of negotiation they understand.

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LAWRENCE R. HOUSTON
General Counsel

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Remarks: Red: Part of the time you were discussing manpower with Mr. Mahon, as noted in paragraph 5, I was on the telephone getting the figures on Russian aid to Cuba. If there is anything that should be added in this connection, I will be glad of some help from you.

LRHouston

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General Counsel	6/6/66

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2 June 1966

DCI BRIEFING NOTES

VIETNAM

(Information as of 4:30 AM EDT)

- I. The cautious compromise worked out between government and Buddhist leaders should quiet the crisis atmosphere in Saigon for at least the next few days.
 - A. Buddhist leaders in Saigon have generally restrained excessive reactions by their followers to the attack on militant bonze Thien Minh on 1 June.
 - B. They have also cautioned their followers to avoid excessive agitation against the regime until it is clear how the agreement on expansion of the "war cabinet" leadership bodies will be carried out.
- II. The Buddhists apparently agreed to dampen their agitation in return for implementation of recently announced government plans to expand the present National Leadership Committee (NLC).
 - A. Ten civilian representatives--presumably including spokesmen for the Buddhists--are to be added before 6 June.

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- B. The chairman of the NLC, General Thieu, will apparently resign as agreed by the members at yesterday's meeting.
- C. The enlarged NLC will "make an effort" to set up a "civilian and armed forces council" prior to 19 June to "assist" the Central Executive Committee, chaired by Ky.
1. It is not clear whether references by government leaders to the "National Leadership Committee" are synonymous with Buddhist references to the "Directorate."
- III. It appears that the accord to enlarge the NLC was agreed upon without too much reaction from the Directorate generals.
- A. It is possible that they feel their positions as daily executors of Directorate policy will not be significantly threatened.
- IV. Some agitation may occur during the celebration of Buddha's birthday on 3 June.
- A. There are indications that some Buddhist groups hope to conduct the observances with dignity and without political overtones.
- B. There is other evidence that efforts are being made, possibly with some Buddhist connivance, to organize strikes and demonstrations on 3 June.

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- V. In Hue, meanwhile, progovernment troop units moved in today without any resistance.
- A. Government sources said the radio station and key points of the city have been secured without a shot being fired so far.
- B. It is not clear, however, whether the troops will obey orders to prevent further violence by the dissident forces or participate in any effort to disarm or overpower the rebels.
1. Some "struggle" troops obtained supplies of heavy caliber automatic weapons during the violence in the city on 1 June.
- VI. Only light contact with the Viet Cong has been reported during the past several days.
- A. Border surveillance patrols are continuing in allied Operation PAUL REVERE, a major sweep operation in western Pleiku Province.
- B. All other operations involving US personnel continue without significant contact with the enemy.
- VII. There are continuing indications that the Communists are moving substantial numbers of reinforcements into northwestern Pleiku Province.

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2 June 1966

DCI BRIEFING NOTES

DOMINICAN REPUBLIC
(Information as of 0900 AM EDT)
in Paragraph V below

- I. Only fragmentary returns from yesterday's election are available. Vote totals have been coming in slowly and it may not be possible to discern any clear trend until late today.
 - A. With an estimated 50 percent of the expected Santo Domingo vote of 240,000 reported:
 1. Dominican Revolutionary Party candidate Juan Bosch appears to be leading with about 59.4 percent of the vote.
 2. Reformist Party candidate Balaguer has 38.8 percent of the vote.
 3. Bonnelly trails with only 2.2 percent.
 - B. In 1962, Bosch captured 78 percent of the capital's vote, and without a similar margin will have difficulty overcoming the lead Balaguer is likely to develop elsewhere. Scattered returns from the interior show Balaguer doing extremely well.
- II. No significant instances of fraud or violence marred the election, which foreign observers lauded as "exemplary."

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- A. Provisional President Garcia Godoy and the OAS commission have issued statements praising the conduct of the electorate.
 - B. None of the political factions has levied charges of voting irregularities--which may help pave the way to popular acceptance of the outcome.
- III. Favorable weather aided in promoting a good-sized turnout--estimated at 1.2 million, or 65 to 70 percent of the eligible voters.
- IV. The turnout and the relatively large number of women who cast ballots are thought to favor Balaguer's chances.
- V. As of 0900 AM EDT unofficial returns show Balaguer with 168,366 votes while Bosch is trailing with 122,078. The two Santo Domingo morning papers indicate that a Balaguer sweep may be in the making.

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2 June 1966

DCI BRIEFING NOTES

DOMINICAN REPUBLIC

(Information as of 4:30 AM EDT)

- I. Only fragmentary returns from yesterday's election are available. Vote totals have been coming in slowly and it may not be possible to discern any clear trend until late today.
 - A. With an estimated 20 percent of the expected Santo Domingo vote of 240,000 reported:
 1. Dominican Revolutionary Party candidate Juan Bosch appears to be leading with about 60 percent of the vote.
 2. Reformist Party candidate Balaguer has 37 percent of the vote.
 3. Bonnelly trails with only 2.1 percent.
 - B. In 1962, Bosch captured 78 percent of the capital's vote, and without a similar margin may have difficulty overcoming the lead Balaguer is likely to develop elsewhere.
- II. No significant instances of fraud or violence marred the election, which foreign observers lauded as "exemplary."

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