



CENTRAL INTELLIGENCE AGENCY

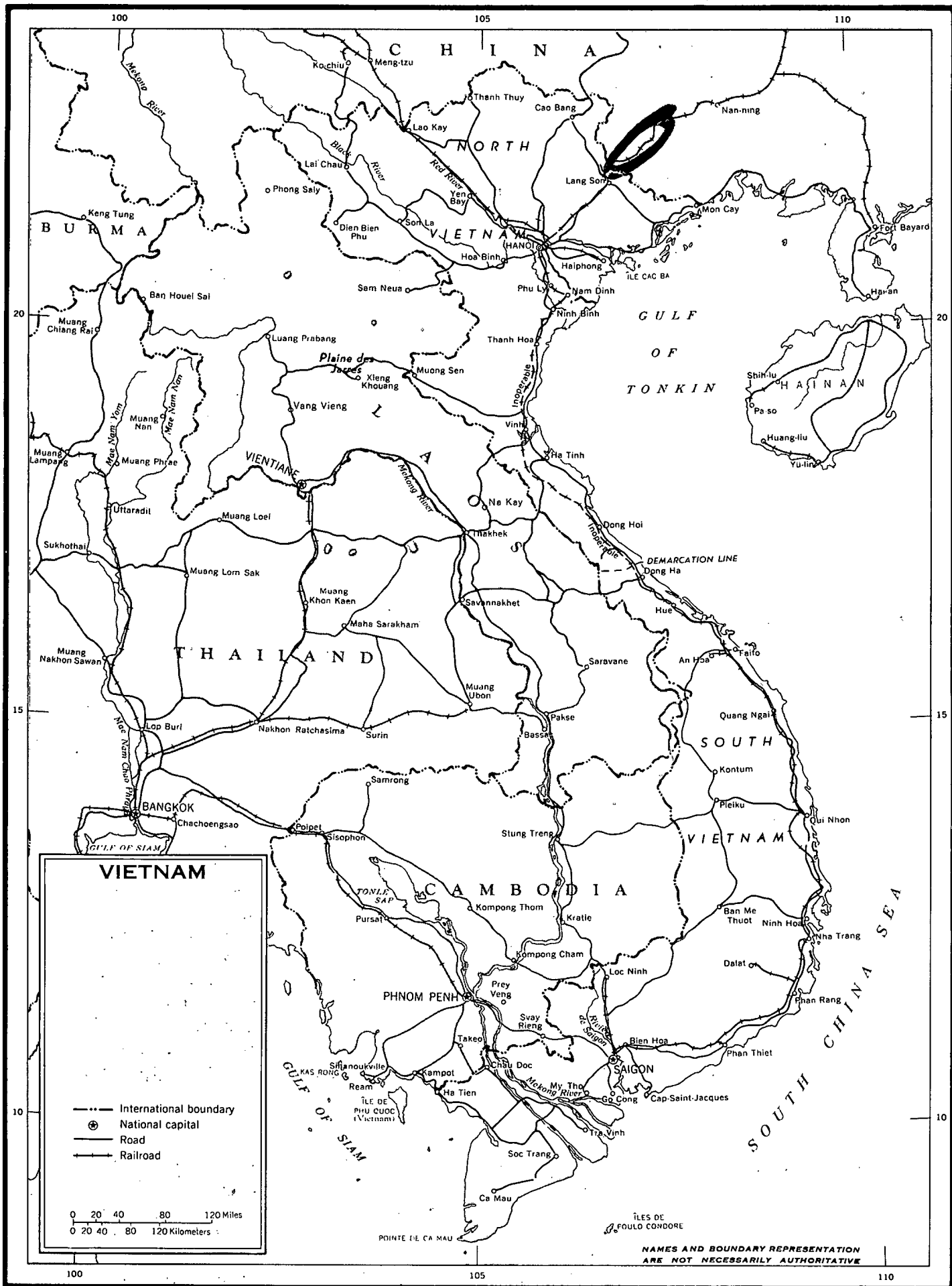
THE PRESIDENT'S DAILY BRIEF



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1 JULY 1965

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DAILY BRIEF
1 JULY 1965

1. Communist China

Analysis of intercepted Chinese Communist radio traffic is showing what may be the beginning of a major military logistics buildup in South China along the principal road and rail axis to North Vietnam. There is now evidence of the establishment of a senior logistics command as well as the arrival of a military railway engineer division from Central China [redacted]

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In addition, intercepts indicate that skilled workers are being recruited elsewhere for military construction projects in this general area.

There is insufficient evidence so far to determine whether this foreshadows a buildup in combat units nearer the border or whether it is largely to facilitate the flow of supplies.

2. North Vietnam

Intercepts indicate a flurry of preparations apparently directed at upping the readiness of North Vietnamese naval vessels, which have for several months been under orders to stay out of harm's way. What operations may be intended cannot yet be determined, but several motor gunboats are apparently to be deployed in southern North Vietnamese waters for the first time since March.

US air attacks on northwestern North Vietnam have apparently resulted in a cessation of flight activity affecting at least two airfields there.

A radiobroadcast from Hanoi today made it clear that the Commonwealth peace mission would not be received so long as it was under British aegis. While Hanoi avoided criticizing the African members, there was no clear indication it would receive a reconstituted delegation.

3. South Vietnam

Premier Ky reportedly wants to retire summarily some 22 senior officers. While there is considerable redundancy in the upper ranks, a move to sweep out such a large number could disrupt operations and upset the religious balance.

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4. Berlin

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The East Germans [redacted] apparently intend to keep up their pressures toward sovereignty. They have announced plans for several demonstration flights over East Berlin on 3 and 4 July.

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They have also announced a program to improve "border fortifications" around West Berlin. This probably means a resumption of the massive ditch construction begun last winter and suspended in early March after six miles had been dug.

5. USSR

There are signs in Moscow of some dispute over and preoccupation with domestic economic policy--little hard evidence, but rumors are abundant.

A party central committee meeting to set policy on economic reforms may have been put off from June or July to August or September. This undoubtedly reflects the complexity of the economic problems facing the leaders and their difficulties in reaching agreement on basic issues.

These issues include experimentation with a market-oriented economy as well as the relative weight to be given consumer goods and heavy and military industrial products. The latter may be bound up in different assessments at the top as to the direction the general international situation is taking. Inherent in all this is below-the-surface political maneuvering for power at the top.

The party as a whole could be scheduled for an overhauling, perhaps a return to the concept of the party as a small governing elite, at its next Congress later this year or early next. Last week, the party boss of Georgia blasted the rapid expansion of the party under Khrushchev and cited Stalin to the effect that the party "should be open only for the tested." (Between 1956 and 1965, party membership jumped from 7.2 million to 11.8 million.)

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6. USSR

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[REDACTED]

So-
viet emphasis on the development of a comprehensive civil defense organization is paralleled by the stature of those in charge. Since late 1964 or early 1965, Marshal Chuykov, a deputy minister of defense, has had this as his sole job, with the staff assistance of at least three generals in the central headquarters alone. A fuller description is at Annex.

7. Iraq

Several pro-Egyptian government officials have resigned in an apparent effort to force a showdown with President Arif. [REDACTED]

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[REDACTED]

They probably hope that Arif--who has allied himself with Iraq's anti-Nasirists--will back down to avoid stirring up latent pro-Nasirist feeling in the armed forces. Arif may also be frightened by the prospect that Nasir may take a personal hand in the dispute.

Nasir's reaction to all this is difficult to predict. If the Iraqi Nasirists fail, his prestige in the Arab world will suffer yet another blow. If he intervenes against Arif, however, his success is by no means certain, and failure would be even more damaging.

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8. Dominican Republic

The committee of the Organization of American States has presented a draft institutional act to the rebels. It will probably be generally acceptable to the Caamano group but is likely to be resisted by Imbert and by the Santiago group backing Godoy.

There are more signs of deterioration in the rebel camp. Latin American embassies in Santo Domingo, which have been granting asylum to a number of non-Communist rebel defectors, are now being approached by members of the 14th of June political group who also want asylum.

Balaguer will apparently defy Imbert by refusing to leave at the end of the week. There is speculation that a crisis may be brewing over this matter. Balaguer is relying on his strong personal support among key military leaders as well as among the general public.

Bosch, in a recent interview with a Newsweek correspondent, has said that he would not be a candidate when elections are held and that there was no possibility that he would change his mind. In the past, however, he has often reversed his stand after making such categorical statements. Bosch is telling his Dominican Revolutionary Party not to support a provisional government.

ANNEX

Civil Defense in the Soviet Union

In early 1960, Soviet civil defense, up to then a responsibility of the Ministry of Internal Affairs, was turned over to the Ministry of Defense. In 1961,

it was reorganized to give control essentially to the military and staffed in at least the key positions by military personnel.

This changeover was probably related to a reassessment by the Soviets of the effect of nuclear weapons on their defense plans, which took place at about the same time.

Much time and effort has gone into the civil defense program, both in the construction of facilities and the training of specialized personnel as well as the general public. Most of our information comes from the Soviet press

the net impression is that much basic work has been done.

The key officers in each civil defense staff, in Moscow and in the many subordinate headquarters, are military, but they control numerous civil components ranging from specialized teams to the organizations, according to the Soviets, "now created in all enterprises, industrial centers, in urban and rural areas."

(Cont'd)

ANNEX (Cont'd)

Civil defense training is, and has been, given in required courses to the general public, and there are [redacted] civil defense exercises affecting entire urban areas. [redacted]

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Soviet doctrine has changed over the years and now calls for evacuation of about half the population of urban areas, with the rest staying in place in permanent and hasty shelters. Although the Soviets see a universal need for fallout shelters, the status of their shelter program is difficult to ascertain, particularly as emphasis has fluctuated over the years. Many buildings, however, are known to have shelters, and the subways are specially equipped.

Soviet leaders appear far from satisfied with the program as it now stands. Marshal Chuykov has acknowledged or implied gaps in staff work, training, supply, and shelter preparation. He called for new and greater gains this year rather than for the completion of civil defense preparations. Clearly, he does not expect to attain combat readiness during 1965.

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