

CENTRAL INTELLIGENCE AGENCY

THE PRESIDENT'S DAILY BRIEF

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8 JULY 1966

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1. North Vietnam

We now have a report on Sainteny's visit to Hanoi, albeit second hand from the French ambassador in Laos, with whom Sainteny breakfasted this morning before going on to Cambodia.

The ambassador said the atmosphere of the visit was of the utmost cordiality, and that Sainteny did in fact have lengthy conversations with Ho and Dong.

On substance, however, Sainteny was said to be greatly discouraged. All leaders with whom he talked showed an "unshakeable will to resist," and total lack of interest in a standdown of military operations, ceasefire, or negotiations. He was said to feel that their position may have hardened since the bombing of the POL facilities.

Sainteny felt that civilian morale remains high. There was an atmosphere of tension, but he is said to have seen no signs of desperation or panic. Evacuation of Hanoi was proceeding in orderly fashion.

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2. Communist China

Severe flooding in southern China, especially in Kwangtung Province, is threatening the early rice crop. The extent of the damage is not yet known, but this province alone usually accounts for about 35 percent of the early rice crop, or about 5 percent of the country's total grain harvest.

With the wheat areas in the north suffering from drought, the over-all picture looks grim unless growing conditions are much above average during the last half of the year.

3. South Vietnam

General Thi is

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"increasingly amenable" to some assignment that will take him outside of South Vietnam.

This sudden interest probably stems from ominous handwriting he is beginning to see on the wall. What to do about him and the other four generals charged with aiding the struggle is shaping up as a major issue in the infighting that appears to be reviving within the directorate, and Thi probably fears he may become a pawn in the feuding.

Plans for a special council of some 20 generals to interrogate Thi on Saturday concerning the "struggle" movement—and then decide whether he should be court-martialed—apparently still hold. Furthermore, Ky may not be willing to show much moderation on the issue of Thi's future lest any such stand in turn be used to undermine his own position. 50X1

4. Rhodesia

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question of concessions to the British. Smith and most of his ministers are apparently becoming somewhat more flexible on this issue; at the lower levels, however, many of the party militants are more uncompromising than ever.

So far, Smith's popular support seems to be unaffected by this cleavage and he could probably survive minor concessions so long as the decisions on the future of white political control are left to the white Rhodesians. Even Smith, however, is said to believe that Britain is more anxious to reach a solution soon than is Rhodesia.

5. Soviet Union

The following are a few bits and pieces on the Soviet leaders which were picked up during De Gaulle's visit and passed to Ambassador Kohler by his French counterpart in Moscow.

During the talks with De Gaulle, party secretary Brezhnev, as expected, was clearly the number one Soviet spokesman. In the discussions, Brezhnev was described as "somewhat heavy in his approach."

Brezhnev also tended to get flustered when he went beyond party-line material and on these occasions would turn to Premier Kosygin for prompting. Brezhnev was summed up as "a man of good sense but not a real brain."

As for Podgorny, the Soviet titular head of state, "it was as though he were not present at all."

6. United Nations

The French ambassador in Moscow also says that De Gaulle and the Soviet leaders were in agreement during their talks that they would support U Thant's re-election.

Thant, however, has been dropping hints again that he is against a second term. In this connection, he recently mentioned his distress over the failure of the Soviets to make their financial contributions to the UN and the US bombing of North Vietnam.

7. Cuba

Western newsmen who have seen Castro several times during the past few days say that he is in very good physical shape and behaving just as omnipotently as ever.

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