

CENTRAL INTELLIGENCE AGENCY

THE PRESIDENT'S DAILY BRIEF

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DAILY BRIEF 29 OCTOBER 1966

1. Vietnam

High East European officials have been hinting during the past month that prospects have improved for some move toward negotiations on Vietnam. They claim, in sum, that they are certain there will be progress toward peace talks if only the US will stop the bombing in North Vietnam.

These assertions have not been accompanied by any explanation why the East Europeans believe what they say, if they do.

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One explanation which occurs to us is that most East European regimes would like to be responsive to recent US overtures for improved relations. To the extent they can portray their aid to Hanoi as an effort to increase their influence at the expense of the Chinese and to encourage Hanoi to negotiate, they avoid delivering a direct rebuff to the US by publicly emphasizing this aid.

On the other hand, if the hints have any real substance the key is in the recent Communist meeting in Moscow, about which almost nothing has been revealed. We do not believe that a decision was reached there to undertake any peace initiative. The question was probably discussed, however, and the matter may not be closed.

2. Soviet Union

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3. Algeria

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Talk of cabinet changes and coups has become traditional in Algiers when the city is filled with troops just before the Revolutionary Day celebrations on 1 November, but it is also true that there is growing impatience among some of the military toward Boumediene.

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4. Philippines

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the outcome of President Johnson's visit has been overwhelmingly favorable. President Marcos in turn finds that this success supports his own internal political position and the position of the Philippines in the Asian community. It also allows Marcos to progress toward a domestic program which focuses on internal development.

5. West Germany

Political circles in Bonn now generally agree that Erhard's minority government will continue to function without much change until the Bavarian elections on 20 November. Newspapers in West Germany and Berlin were virtually unanimous yesterday that the collapse of the coalition means the end of Erhard as chancellor.

6. Haiti

Additional anti-Duvalier demonstrations erupted this week in at least two more outlying towns as public discontent with the regime grows. Recently decreed taxes seem to have been the igniting factor.

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7. Costa Rica

The country's long democratic tradition is under severe strain. A climax seems near in the political warfare that has been developing between the Trejos administration and the biggest opposition party, which controls the legislature.

President Trejos has concluded that he can no longer govern effectively. He let it be known on Wednesday that he may resign and turn the government over to a vice president who is even more violently hated by the opposition.

Trejos' threat has sparked new efforts to reach an accommodation between the contending forces. Former president Figueres, a leading opposition power, is taking an active part in the peace talks. Agreement will not be easy, but both sides are aware that the alternative could well be a resort to arms. Figueres' party has its own militia, only one of several private armies responsive to political leaders.

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