

The President's Daily Brief

~~Top Secret~~ 4 March 1967

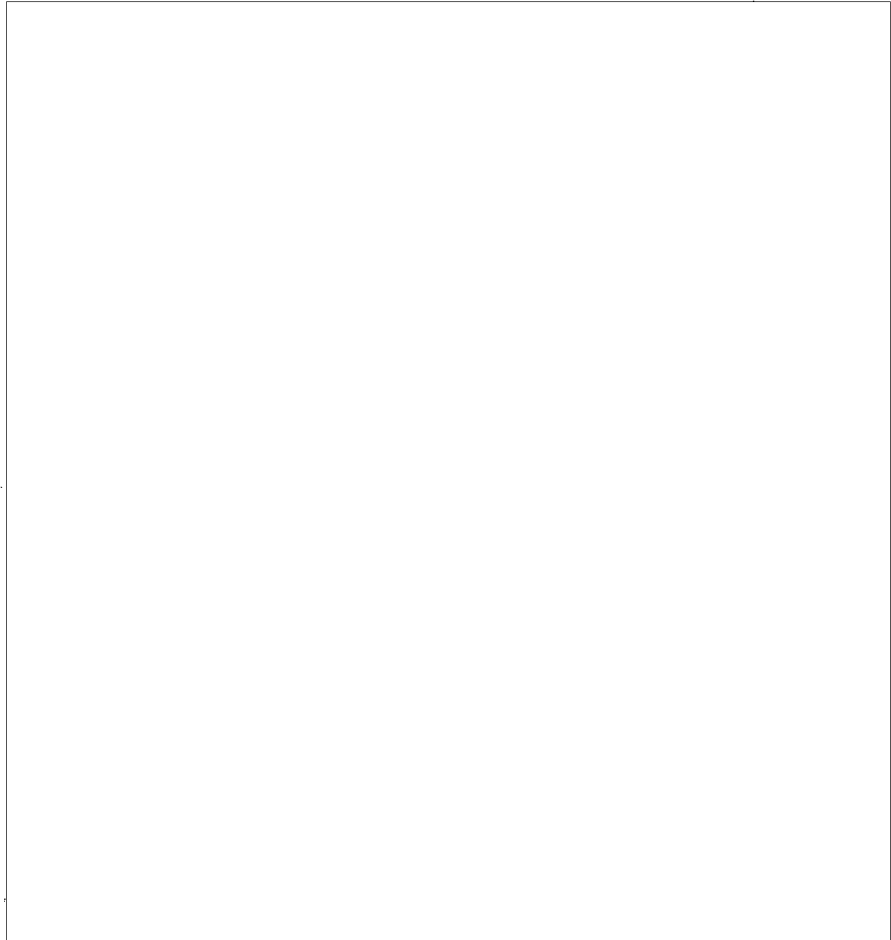


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DAILY BRIEF
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1. West Germany



2. South Vietnam

The Saigon embassy understands that Governor Hanh of the National Bank of Vietnam has agreed to take over-all charge of the economic sector. This would make one man responsible for supervising the ministries of commerce, industry, finance, and communications. Ambassador Lodge sees this as a major step forward.

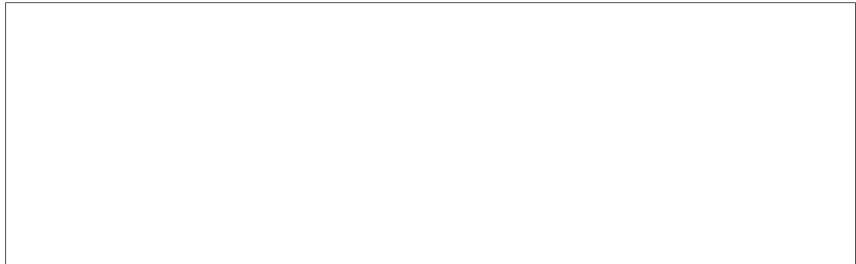
There will be no public announcement until the government can agree on replacements for the ineffective ministers of finance and commerce.

3. Communist China

The army is playing an increasingly important role in restoring order. Besides knocking Red Guard heads together, troops have taken over administration of good-sized portions of the transportation network.

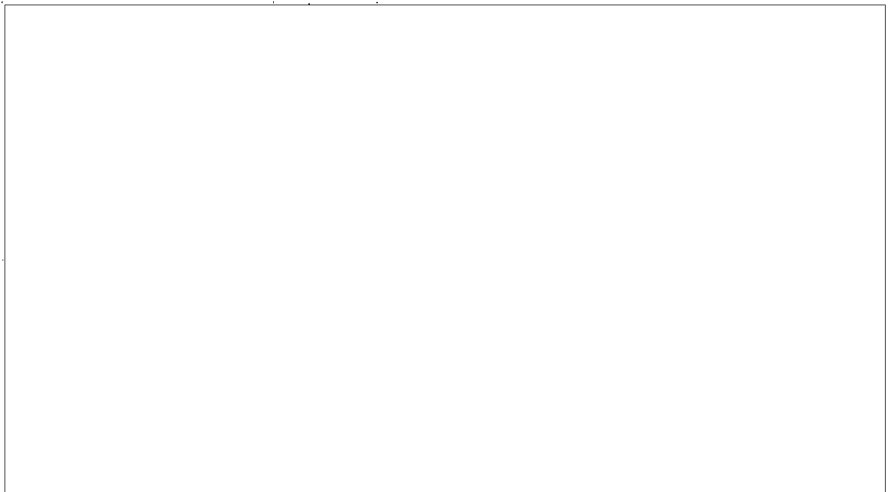
It is also clear that Peking is counting on the army to get the crucial spring planting drive launched. Even an army drawn from the peasantry, however, may not be able to clear up the mess left in rural areas by the "cultural revolutionaries."

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4. Soviet Union



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5. Argentina

The Ongania government is leaning pretty hard on labor following failure of the recent general strike. Five participating unions have now been suspended by the government, and government-owned plants are threatening severe reprisals against workers who took part in the strike.

While these actions seem temporarily to have cowed labor, they are bound to leave a bitter aftertaste. Coupled with forthcoming economic austerity measures, they will seemingly ensure that the labor-government feud will continue indefinitely, and this in turn means pressure on Ongania to become more authoritarian.

6. El Salvador

President Rivera contends that he will not go to the Punta del Este meeting unless the international coffee agreement is renegotiated, but reluctance to leave the country in charge of his vice president, with whom he has been feuding, may be a more telling reason.

Whatever the case, Rivera's stand on the coffee agreement is good politics on the eve of Sunday's national elections. The government candidate for the presidency is expected to win handily, but the lame duck Rivera administration may have some tidying up to do afterward. This might also keep Rivera at home.

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