



The President's Daily Brief

~~Top Secret~~ 27 April 1967



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DAILY BRIEF
27 APRIL 1967

1. South Vietnam

The impasse between Ky and Thieu over which of them will be the military's candidate continues, although both insist they will ultimately come to some amicable arrangement. This will take some doing, since each appears to have his heart set on getting the "nomination" and to be confident that he will.

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Embassy Saigon reports that labor unions in the capital are mounting a campaign for a 40 percent wage increase to offset the increase in the cost of living since mid-1966. The main pressure behind this demand is economic, not political. The cost of rice, which accounts for one-third of total family expenditure, has gone up 124 percent since last June.

2. Cambodia

Sihanouk is evidently planning a further crackdown against extremists on the left. This fits with a number of recent signs that he is genuinely worried over what he regards as a serious Communist-inspired rebellion in the countryside. Sihanouk's new view is even beginning to color his remarks on foreign policy. He has spoken of "deterioration" in his relations with "certain socialist countries."

3. Indonesia

Peking seems unconcerned that it may be goading Djakarta into breaking diplomatic relations. Hordes of Chinese have been demonstrating outside the Indonesian Embassy for the past three days; each day the crowds get a bit uglier and another big rally is set for today.

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4. Yemen

Late word this morning from Taiz is that a second day of demonstration has begun. The embassy is braced.

No Americans have been reported hurt by the first attack on the embassy yesterday, but at least two US citizens are said to have been taken into custody. Damage to the embassy and other US buildings was heavy.

The explosion of mob violence follows directly from a campaign of harassment against the US presence in Yemen since the ouster of President al-Amri and the return of the pro-Egyptian hardliners last August. During this period, minor diplomatic incidents, anti-US "spy trials," and vicious press treatment have been standard.

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Chances for a US mediation effort of the Yemen problem are not bright. Cairo in fact has only been making things worse recently by parading ex-King Saud in Yemeni territory--a deliberate insult to Faysal--and by renewed bombings of Yemeni tribes with toxic agents. While King Faysal has answered the US mediation proposal with guarded acceptance, Egypt has still given no hint of a reply. The American chargé in Cairo is now pressing for an answer.

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5. Greece

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During the past 24 hours the situation in Athens has remained essentially unchanged. The King issued a guarded statement following his meeting with the new cabinet yesterday. Constantine expressed his dissatisfaction with the recent events and hoped his country will return soon to parliamentary government.

There were reports yesterday that the new regime was in danger of imminent collapse and that some move might be made to bring in more moderate elements.

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