

The President's Daily Brief

Top Secret 3 July 1967

DAILY BRIEF 3 JULY 1967

1. South Vietnam

Information is still coming in on the armed forces meetings last week which hammered out the agreement between Thieu and Ky. At this point, it seems that Thieu's uncompromising attitude may well have alienated some of the key generals while Ky's behavior generated considerable admiration among them.

Just what this may mean for the future is still unclear, but it does add to other signs that the Thieu-Ky alliance may well continue to be an uneasy one for some time to come.

With the Thieu-Ky rivalry at least temporarily laid to rest, the Directorate was almost immediately faced with another awkward development. The Assembly formally validated "Big" Minh's application as a presidential candidate. The generals show every sign of sticking by their decision to keep Minh out of the country, but this will now be more difficult for them to justify.

2. North	Vietnam	
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3. Arab States - Israel

The Israelis do not give much importance to the minor clashes with Egyptian troops that took place over the weekend on the banks of the Canal. More such clashes have occurred today.

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The UN General Assembly is expected to vote this afternoon on the rival Middle East resolutions. The Soviets, with French support, were working hard all weekend on the African delegations and we think there is some chance that the "nonaligned" resolution may get the required two thirds vote.

4. Soviet Union

Soviet President Podgorny, in Cairo last week, has been in Damascus since Saturday and is scheduled to go on to Baghdad today. We presume the talks focus mainly on military aid.

5. Communist China

Liu Shao-chi may have been formally "overthrown" as head of state, as the US newspapers are saying, but this signifies little. He was deprived of all meaningful authority months ago.

The turmoil continues in many parts of the country.

6. France

The third and final atmospheric nuclear test in this year's series took place in the South Pacific yesterday.

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7. Cyprus

Makarios and company have good reason for suspecting the new government in Athens of working behind their backs to hammer out a deal with Turkey to "settle" the Cyprus problem.

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Turkish talks about Cyprus were recently resumed and may be making headway.

The military rulers in Athens would surely like to tidy up this problem which has for years been a dangerous irritant in Greek-Turkish relations. If they can get together with the Turks on a formula for Cyprus' future, the Greeks will not balk at forcing it down the throats of the Cypriots—even if this requires the overthrow of the Makarios regime.

An Athens broadcast on the weekend carried an announcement from "authoritative sources" which seems to threaten just that. It accused "persons holding the highest positions in the Cypriot state" of insisting on such unrealistic conditions for union with Greece as to make this impossible. Now, the announcement went on, these persons must be isolated and forced out.

The US Embassy in Athens has no hard information that action is imminent, but does note that the Cyprus problem was being discussed at the highest levels of the government last week.

8. Congo

It looks very much like Moise Tshombé has finally come to the end of his road. President Mobutu

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doubtless intends to execute the former premier if--as is likely--the Algerians agree to extradite him.

Mobutu can probably clamp down hard enough to control any adverse reaction in Katanga, Tshombé's old stronghold. The Belgians, however, will be especially angered by Mobutu's action and will be less willing to help him financially.

9. Nigeria

News that secessionist Biafra has acquired at least one bomber has prompted General Gowon of the federal government to make urgent requests to the US and Britain for military assistance, mainly Gowon is just as determined aircraft. as ever to crush Biafra and is under growing internal pressure to begin military action quickly.

The pressure on Gowon was intensified on Saturday when the country's largest oil producer, the Shell Company, decided to hand over to Biafra a portion 50X1 of the oil payment due Nigeria this month.

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