

JANE SCHWELI
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HOME MESSAGE AS BELOW

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BRID BRIPS (FOR LIATEC) // BEFORE IS STARTS

1. USSR MARKING TIME ON SKULLS MOSCOW APPARENTLY DOES NOT WANT AUTOMATIC INCIDENTS TO SPOIL DELICATE ATMOSPHERE, BUT IT HAS GIVEN NOTICE IT WILL RESPOND VIGOROUSLY TO ANY WESTERN MOVE TO ALTER STATUS QUO, PARTICULARLY IN GERMANY.

2. COMMUNIST AID FOR CUBAN HURRICANE DISASTER. THE SOVIET bloc and COMMUNIST CHINA ARE SHIPPING EMERGENCY RELIEF SUPPLIES. KENNEDY LETTER HAS OFFERED CUBA PROGRAM TO SUPPLY WIDE VARIETY OF FOOD AND CONSTRUCTION EQUIPMENT AND MATERIALS DURING NEXT YEAR AT LEAST SOME WITHOUT CHARGE. ADDITIONAL AID REQUESTS LIKELY TO BE FORTHCOMING FROM HAVANA.

3. YUGOSLAVIA AND RUMANIAN STATES: BRIGADE'S VIEW NOW IS THAT THE WORLD IS NO LONGER DIVIDED BETWEEN EAST bloc AND WEST bloc. IT SEES A POLITICAL DIVISION BETWEEN THESE STATES

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PAGE TWO

78187

WORKING FOR "PEACEFUL COEXISTENCE" AND THOSE AGAINST IT, AND AN ECONOMIC DIVISION BETWEEN THE DEVELOPED AND UNDERDEVELOPED STATES. IT NOW SEEMS QUESTIONED ABOUT WHETHER THE UNDERDEVELOPED STATES AS A GROUP EXERT WITHIN THE "COUNCIL OF PEACEFUL COEXISTENCE"

4. TENSION IN POLAND: THE REGIME'S STIFFENED POSITION AGAINST THE COUNCIL HAS AGGRAVATED THE SOULS AND ANGER AND DISSENT BY INTERNAL ECONOMIC POLICIES. GOMULKA'S PRESTIGE AND AUTHORITY HAVE DIMINISHED SHARPLY, BUT THE POPULATION FEELS THERE IS NO BETTER ALTERNATIVE, AND THAT AN ATTEMPT TO CHANGE THE SITUATION MIGHT PROVOKE SOVIET INTERVENTION

5. SOVIET-CHINA MILITARY DEVELOPMENTS: SOVIET MILITARY COOPERATION CONTINUES. THE LARGE SCALE SOVIET MILITARY EXERCISES, FORMERLY CALLED MILITARY EXERCISES, IS SCHEDULED TO ARRIVE IN CHINA 24 OCT.

6. SOVIET ECONOMIC SITUATION: BRASSERMENT OF THE ECONOMIC SITUATION CAUSED BY EMERGENCY WHEAT PURCHASES MAY DELAY FINAL DRAFTING OF THE 1964-65 ECONOMIC PLAN. KHRUSHCHEV'S LATEST MESSAGE FOR AEROLINEAS AND JOURNALIST CONTAINS A LAST-MINUTE

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MOVING, BUT SIGNS INDICATE THE PROGRAM IS BEING IMPLEMENTED

7. //FLOODS IN NORTH CHINA: LARGE AREAS OF THE NORTH CHINA PLAIN ARE STILL COVERED WITH WATER AFTER TWO MONTHS, AND AUTUMN HARVESTS, ESPECIALLY COTTON, APPEAR TO HAVE SUFFERED A SERIOUS BLOW. VITALITY THAT AIRRAKE WILL PROBABLY BE DEFERRED, AND BLASTING DELAYED.//

8. WEST GERMANY: LUDWIG ERHARD HAS TAKEN OVER CAUTIOUSLY, MAKING FEWER CABINET CHANGES THAN EXPECTED AND HEVING CLOSELY TO THE ADREAGER LINE IN FORMULATING HIS GOVT'S POLICIES. ERHARDTAG MEMBERS FROM OPPOSITION SOCIAL DEMOCRATIC PARTY HAVE STATED PRIVATELY THEY INTEND TO GIVE ERHARD "WELTYWELT" OF ABOUT SIX WEEKS. ON THE OTHERHAND, ADREAGER'S REPORTED DISSATISFACTION WITH ERHARD'S PUBLIC STANCE SUGGESTS THE NEW CHANCELLER'S EARLIEST TROUBLES MAY SPRING FROM WITHIN HIS OWN PARTY. (REF)

9. ITALY: CHANGES HAVE IMPROVED THAT CURRENT SOCIALIST PARTY MEMBERS WILL FAVOR RECONSTITUTING A CENTER-LEFT GOVT. MEANTIME, NEGOTIATIONS WITH CHRISTIAN DEMOCRATIC PARTY ON DISTRIBUTION OF PORTFOLIOS IN SUCH A GOVT ARE UNDERWAY. PROSPECTS ARE THAT ANY CENTER-LEFT

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... THAT MEMBERS WILL HAVE DIFFICULTY ... BECAUSE OF THE ANTI-PATHY OF LEFTWING SOCIALISTS AND BROTHERLY CHRISTIAN DEMOCRATS ... MAY ONE DAY TO ... THE GOVT ... AGAINST IT ON ... LEGISLATION. (CONF)

10. ... INDICATED ARE ... PREPARED A NEW ... INITIATIVE OF THE DISCOURAGE FOR AN ... RIGHTS ... THERE IS LITTLE ... LEVERAGE ... AS LONG AS ... A ... WILL ...

11. FINLAND: PRESIDENT ... ACCEPTED THE ... OF THESE LEFTIST ... HAVE TO LEAVE THE GOVT ... CRISIS WHICH IS STILL ... WILL NOT BE EASY ... CIVIL SERVANTS. (CONF)

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12. //A SETTLEMENT OF SORTS MAY NOT BE REACHED ON THE
 MATTER WAS... US AND EEC AGREED LAST WEEK TO HAVE SECRETARY
 GENERAL OF GATT APPOINT A NEUTRAL PANEL TO RENDER AN ADVISORY
 OPINION ON THE VALUE OF THE COMMERCE AFFECTED BY THE TARIFF
 IMPOSITIONS ON US POLARITE WHICH WERE WITHDRAWN IN 1962. THIS
 OPINION IS EXPECTED EARLY NEXT MONTH. ANOTHER PROBLEM REQUIRES
 SETTLEMENT WILL NOT ADDRESS THE QUESTION OF WHETHER THE US WILL
 RATAIN EEC QUOTAS FOR OTHER AND MORE IMPORTANT FARM PRO-
 DUCTS. //(CONF)

13. MOROCCO: CONTINUES CONFINE ALONG THE MOROCCAN-ALGERIAN
 BORDER, MOROCCO APPARENTLY IS ENFORCEING ITS TERMS ALONG THE EN-
 TIRE LONG BORDER. SARAT CLAIMS TO HAVE REPEATED ALGERIAN AT-
 TACKS ON SMALL OUTPOSTS EAST OF THE GULF. BUT HAS MADE NO EFFORT
 TO RECAPTURE THE BORDER POST AT THE MOUTH OF OUADE-EL-CHER.
 THE ALGERIANS, FOR THEIR PART, HAVE MOVED SOME OF THEIR HEAVY EQUIP-
 MENT AND ARMED AND THEIR FIVE MIG-19 AIRCRAFT TO THE
 BORDER AREA, ESPECIALLY IN THE OUADE-EL-CHER AREA. BOTH GOVERN-
 MENTS ARE PRESSING FOR OUTSIDE ASSISTANCE, SARAT FROM WESTERN

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SOCCRE AND ALGIERS APPARENTLY FROM EGYPT. MEDIATION ATTEMPTS ARE CONTINUING BY OTHER AFRICAN COUNTRIES BUT HAVE SO FAR FOUNDERED OVER MOROCCO'S REFUSAL TO EVACUATE TWO SOVIET BUREAU POSTS TAKEN LAST YEAR, AS BEN BELLA DEMANDS.

4 // CONGO: PRESIDENT KASAVUBU DECLARED A STATE OF EMERGENCY FOR THE CITY OF LEOPOLDBERG ON 20 OCTOBER AND NAMED A THREE MAN COMMITTEE UNDER DEPUTY MINISTER ANANTO TO HELP FIGHT NEAR MILITARY LAW. FRENCH ARCHA IS STILL IN OFFICE, BUT THE EMERGENCY COMMITTEE IS MAKING THE DECISIONS WITH THE BACKING OF ARMY CHIEF KEMBO. THE COMMITTEE IS FACING MOUNTING LABOR DISSENT AS LABOR LEADERS HAVE DENOUNCED ITS ESTABLISHMENT. A CIVIL SERVICE STRIKE BEGAN ON 22 OCTOBER AND STRIKING TEACHERS HAVE IGNORED ANANTO'S URGENT REQUEST TO RETURN TO WORK. LEFTIST EXTREMISTS ARE CONTINUING THEIR EFFORTS TO GAIN POWER. THEY APPARENTLY HAVE SUCCEEDED IN DISAFFECTING SOME OF KEMBO'S ELITE PARACOMMANDOS AND SEVERAL OF THEM ARE IN BRAZZAVILLE TALKING OF SETTING UP A GOVERNMENT IN KINSHASA.

15. SOUTH KOREA: FOLLOWING JUNTA LEADER PAK CHUNG-HUI'S NARROW VICTORY IN THE 15 OCTOBER PRESIDENTIAL ELECTIONS, THE REGIME IS FORMULATING STRATEGIES TO OBTAIN A BRIBBLE MAJORITY IN THE 26 NOVEMBER ELECTIONS.

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NATIONAL ASSEMBLY ELECTIONS MAY BE CONSIDERED A MAJOR SAUCE...
 CHIEF KIM CHONG-PIL BACK FROM AN EIGHTY SEVEN BATTLE TO HOLD BUT
 BECAUSE OF HIS BEHAVIOR HAMILTON THIS MAY BE NEGATIVE FEELING
 WITHIN THE REGIME AS WELL AS BETWEEN IT AND THE OPPOSITION. IN THE
 PARLIAMENTARY ELECTION THE REGIME APPEARS TO HAVE RELIED HEAVILY ON
 DIRECT PRESSURE RATHER THAN ON DIRECT ELECTIONS IN ORDER TO WIN
 AGAINST THE GROWING DEMANDS FOR MORE AUTHORITARIAN RULE
 AND WITH THE REGIME'S ECONOMIC RECORD. THE ARMY'S HEAVY ANTI-PAK
 VOTE APPARENTLY REFLECTS THIS FEELING. ESPECIALLY IN THE LOWER RANKS
 AND SENIOR OFFICERS PROBABLY CONTINUE TO SUPPORT PAK, IF ONLY FOR
 LACK OF AN ATTRACTIVE ALTERNATIVE. (CONF)

16. SOUTH VIETNAM: THE ANNIVERSARY OF SOUTH VIETNAM'S NATIONAL
 DAY ON 26 OCTOBER AND THE PRESENCE OF NUMEROUS FOREIGN DELEGATIONS
 IN SAIGON MAY TRIGGER OPPOSITION GROUPS AND VARIOUS AGENTS TO TRY
 TO PROVOKE DISORDERS IN COMING DAYS. ARRIVAL OF THE UN OBSERVER
 MISSION THIS WEEK PARTICULARLY POSES PROBLEMS FOR THE DIEM GOVERNMENT,
 WHICH HAS TAKEN STEPS TO PREVENT APPEARANCE OF HARMONY IN BUDDHIST
 COMMUNITY. BUDDHIST GROUP AND STUDENTS MAY NEVERTHELESS RESORT TO
 DEMONSTRATIONS, STRIKES, AND FURTHER SUICIDES TO FOCUS ATTENTION ON

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THEIR GRIEVANCES. PRESIDENT DIEM AND HIS GOVERNMENT ARE CONTINUING TO SHOW THEY ARE PREPARED TO RISK SUBSTANTIAL REDUCTIONS IN US ECONOMIC AID RATHER THAN BOW TO PRESSURES FOR POLITICAL REFORMS. THEY HAVE APPARENTLY BEGUN TO PROBE ALTERNATIVE SOURCES OF FUNDS, AND MAY USE THE CURRENT SAIGON MEETING OF THE ASIAN PEOPLE'S UNITY CONFEDERATE LEAGUE, A NON-GOVERNMENTAL INTERNATIONAL GROUP AS A STAGE FOR COMPLAINTS AGAINST THE US. THE USUALLY HOSTILE ATMOSPHERE OF THE US HAS NO DISCERNIBLE EFFECT ON THE MILITARY EFFORT AGAINST THE VIET CONG.

17. LAOS: NEUTRALIST LEADERS IN VIENTIANE ARE TRYING TO FORESTALL A RENEWAL OF INTER-FACCTIONAL FIGHTING BY REVIVING THE TEMPORARY COALITION GOVERNMENT WHICH WAS CREATED IN 1960 ONLY ABOUT THE TWO PATRIOT LAO MINISTERS VISITED LAST APRIL. MINISTER OF DEFENSE PHENG PHONGSAVAN, THE HARKING NEUTRALIST DURING PHUENH SCOUVANA'S CURRENT VISIT TO LAOS AND HONGKONG, SAID HE IS TRYING TO ARRANGE FOR SCOUVANA TO MEET WITH PATRIOT LAO CHIEF PHOUK PHOUKHOUANGVONG WHEN THE FRONTIER RETURNS ABOUT 6 NOVEMBER. HONG LE SHAVHILE HAS ASSUMED COMMAND OF THE NEUTRALIST FORCES ON THE PLAIN OF JARANG FOLLOWING HIS ARRIVAL FROM AN EXTENDED VISIT TO THE US. GENERAL ANNA NOW ENJOYS SUBORDINATE TO HONG LE IN THE NEUTRALIST MILITARY

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HIERARCHY, AND WILL WATCH AFFAIRS IN THE CAPITAL IN CONNECTION WITH THE PREMIER'S SPECIAL MILITARY CABINET. KONG LE SAYS THE RUSSIANS OFFERED UNLIMITED SUPPORT TO HIS FORCES, BUT ATTACHED CONDITIONS THEY KNEW WERE PROBABLY INSURMOUNTABLE.

18. EGYPT: EGYPT'S PETROLEUM INDUSTRY IS ON THE VERGE OF BECOMING SELF-SUFFICIENT AT A TIME WHEN THE REGIME IS ENCOURAGING PARTICIPATION BY WESTERN INTERESTS. SOVIET-FINANCED EXPLORATION AND CONSTRUCTION UNDER A 1958 AGREEMENT ARE NEARING COMPLETION. TWO YEARS OF DO-IT-YOURSELF HIGH COST EXPLORATION AND BARRIERS IN THE FACE OF A WORLD SURPLUS HAVE PROMPTED A CHANGE IN GARDI'S ATTITUDE, AND IN MID-1959 PETROLIUM WAS RESCUED FROM A RUSSIAN NATIONALIZING NUMEROUS OTHER VENTURES. THE ITALIAN STATE-OWNED ENI AGENCY, THE ONLY IMPORTANT WESTERN PRESENCE DURING THE LAST TWO YEARS, WILL SOON START TO REPLACE TWO NEW TRANTS UNDER TERMS OF A CONCESSION FORMALIZED IN MID-OCTOBER, AND LATE THIS YEAR ENVI A SIMILAR DEAL FOR EXPLORATION IN THE WESTERN DESERT WAS OBTAINED WITH PHILIPS PETROLIUM. (CONT)

19. GREECE: IN THE CAMPAIGN FOR THE 3 NOVEMBER PARLIAMENTARY ELECTIONS A CLOSE STRUGGLE IS DEVELOPING BETWEEN FORMER PREMIER KARAMANLIS' CONSERVATIVE NATIONAL RADIUM UNION AND THE STATE

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NON-COMMUNIST OPPOSITION GROUP, THE CENTER UNION KARAMELIS APPEARS TO BE AROUSING LESS ENTHUSIASM THAN PREVIOUSLY, AND AFTER SIX YEARS IN OFFICE IS SUFFERING FROM THE "TICK FOR A CHANGE" PSYCHOLOGY. THE CENTER UNION IS FEATURING A STRONG APPEAL TO GREEK NATIONALISM AND PARTY LEADER PAPANICOLAOU HAS ACCUSED KARAMELIS OF "SUBMISSIVENESS TO FOREIGNERS" IN REFERENCE TO HIS CLOSE TIES WITH THE UNITED STATES. PAPANICOLAOU HOPES TO SEE GAIN SOME SEATS TO GIVE KARAMELIS A COMING CLASH. THE COMMUNIST-DOMINATED UNITED DEMOCRATIC LEFT, THE THIRD LARGEST PARTY, HAS FAILED TO FORM A BROAD FRONT BUT HAS TAKEN ITS STANDS TO THE CENTER WHICH IS CLOSE BACK TO THE SIDE OF CURRENT KARAMELIS. (NY)

END OF MESSAGE

James A. [Signature]

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