

~~SECRET~~

No. 0339/68
14 December 1968

Central Intelligence Bulletin

CONTENTS

South Vietnam: Situation report. (Page 1)

Laos: The Communists are pressing their offensive in the south. (Page 3)

Brazil: Congressional defiance of the President and military has created a major crisis. (Page 4)

Peru: The prime minister appears to be setting the stage for a bid for the presidency. (Page 5)

Communist China: Circulation of a draft party constitution is a further sign that a party congress will be convened soon. (Page 6)

Czechoslovakia: Any moves toward decentralization of the economy are likely to come slowly. (Page 8)

Italy: The new government marks a slight shift to the left. (Page 9)

Algeria: Algiers breaks off bilateral economic negotiations with both the USSR and France. (Page 10)

South Korea - West Germany: Spy-abduction issue again threatens relations. (Page 11)

Okinawa: Demonstrations (Page 12)



~~SECRET~~

~~SECRET~~

Brazil: Congressional defiance of President Costa e Silva and the military establishment has created a major government crisis and forced the President to institute severe repressive measures.

On 12 December the Chamber of Deputies refused by a wide margin to lift the immunity of opposition Deputy Marcio Moreira Alves so that he could be tried for a speech he made in Congress attacking the government and military. Top military leaders, who have committed their prestige to punishing the deputy, yesterday forced Costa e Silva to declare an Institutional Act suspending Congress for an undetermined period of time.

The military ministers had warned Costa e Silva some time ago that if Alves were not tried, military personnel might physically attack the deputy. The government has clamped on strict press and radio censorship, and has already seized issues of an important conservative newspaper.

Some moderate officers may well believe that this issue should never have reached crisis proportions, but now that the military's prestige is on the line, they will probably back the government's action. [Domestic and international reaction is likely to be highly condemnatory of this "dictatorial" process.] Costa e Silva had exhausted his legal options. His resort to extraconstitutional measures indicates the depth of his commitment to his military backers and the military's determination to hew to the goals of the revolution that brought them to power in 1964.

[REDACTED]

[REDACTED]

25X1

14 Dec 68

Central Intelligence Bulletin

4

~~SECRET~~