

The President's Daily Brief

1 December 1972

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FOR THE PRESIDENT ONLY

THE PRESIDENT'S DAILY BRIEF

1 December 1972

PRINCIPAL DEVELOPMENTS

In South Vietnam, both sides are continuing preparations for a cease-fire. (Page 1)

The government offensive in Quang Tri Province appears to be forcing the Communists to reposition key units. (Page 2)



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A Soviet-built floating drydock being towed to Cuba [redacted] (Page 4)



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SOUTH VIETNAM

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South Vietnamese officials are continuing intensive preparations for a cease-fire.

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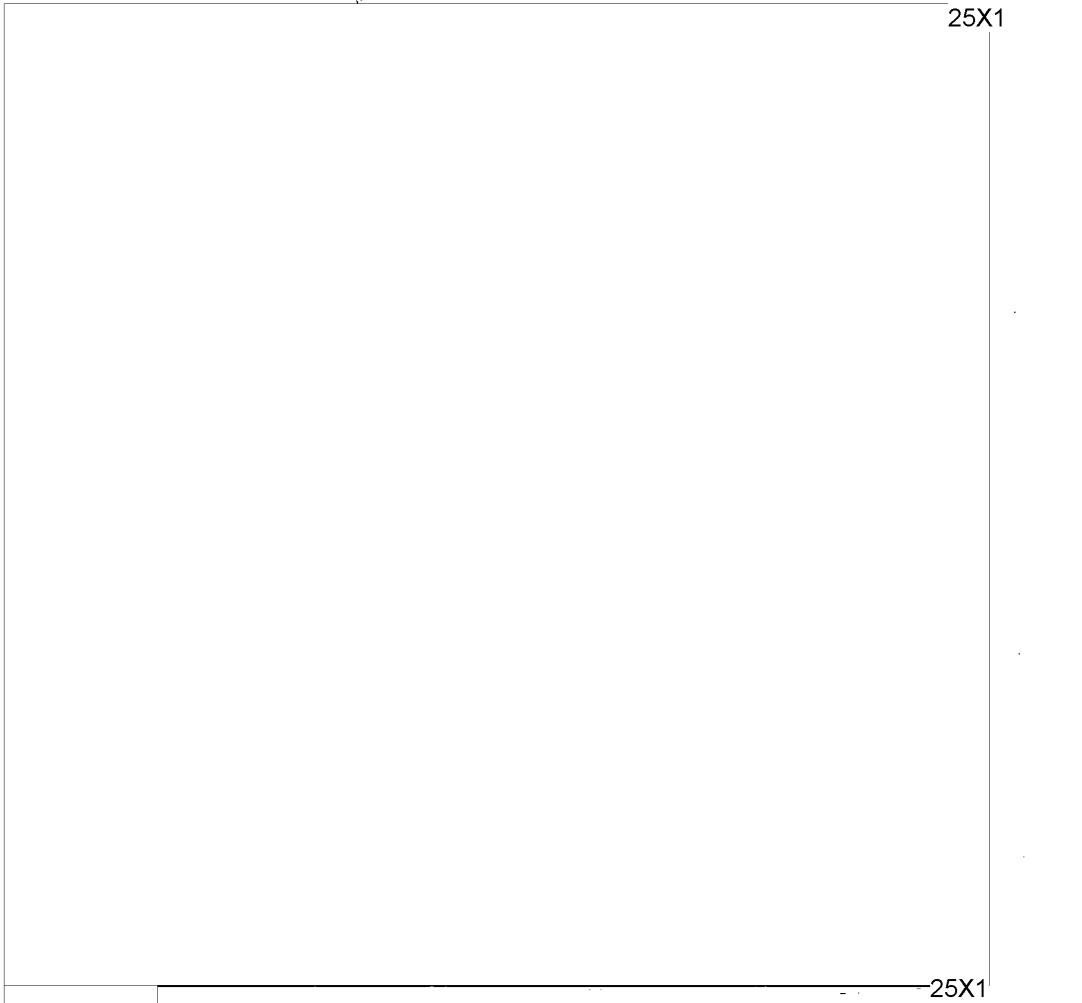
In the delta, a 90-man "regional special action squad" is being formed from police units. The squad will be used to deal with low-level Viet Cong cease-fire violations. A 300-man "special team" is also being formed from police units to handle riots and demonstrations.

In almost every province, the South Vietnamese have been conducting meetings at various administrative levels to explain the government's position in preparation for a cease-fire. Provincial security commands have been directed to strengthen their units before the announcement is made. In addition, cadets from the military schools are being sent into the countryside to explain the cease-fire and to bolster popular support for the government during the period of intense political competition expected to follow.

* * *

The Communists are telling their cadre in the South that the bulk of North Vietnamese troops will stay on in South Vietnam under one guise or another following a cease-fire. Most of the accounts indicate that the North Vietnamese forces will be broken down and dispersed in smaller-sized units, from squad to battalion size, and will be put under the ostensible control of the "National Liberation Front" military apparatus.

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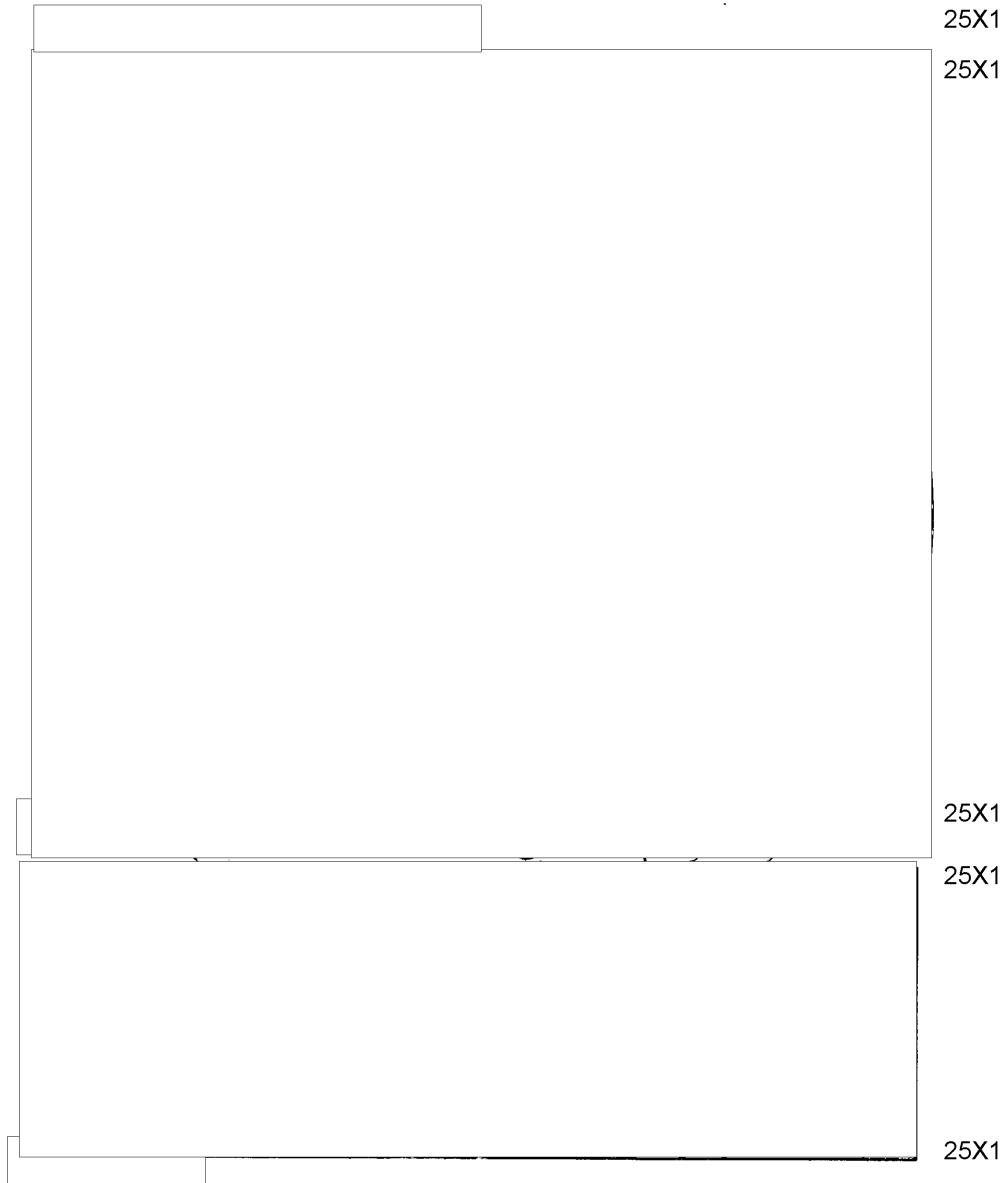
FOR THE PRESIDENT ONLY

SOUTH VIETNAM

The government offensive in Quang Tri Province appears to be forcing a major redisposition of enemy units. Two Communist divisions--one of which has been operating for several months west of Hue--appear to be shifting into place to strengthen a line along the Thach Han and Cua Viet rivers. Moreover, Communist forces in the area have been reinforced and re-equipped.

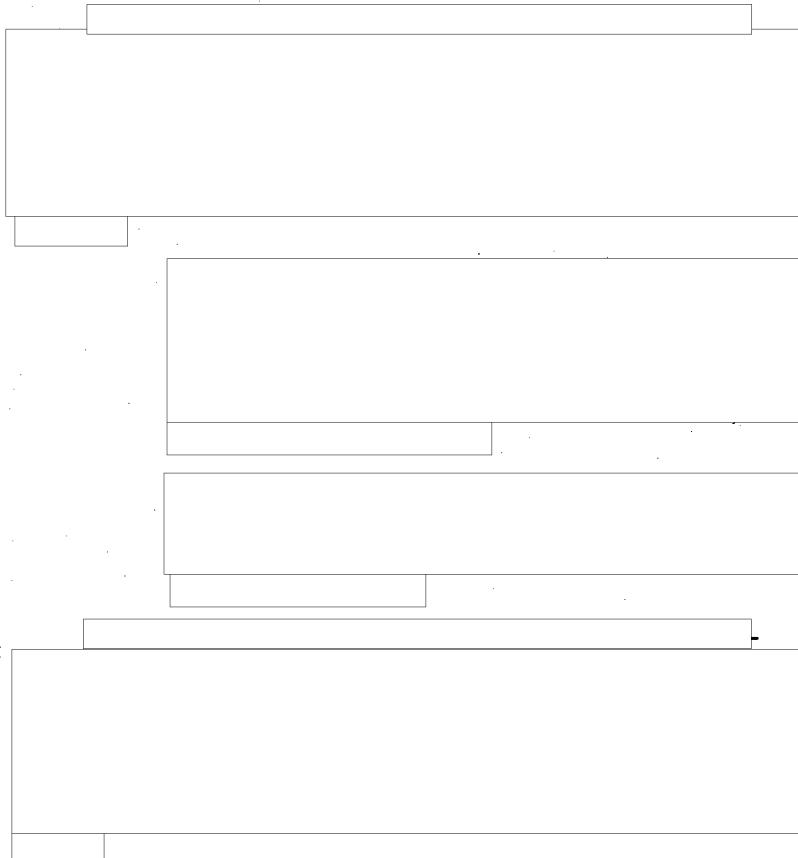
Should the South Vietnamese breach the river lines, the northerners would be hard pressed to hold the coastal plain.

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CHINA



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USSR-CUBA

A Soviet merchant tug is towing a floating drydock to Cuba. Built at a Baltic shipyard, the drydock left the Soviet port of Klaipeda on 25 October. Pravda has confirmed that the drydock is going to Cuba, but did not say how it will be used.

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In the mid-1960s the Soviets supplied British-built floating cranes and Soviet-built drydocks for commercial use in Cuba's ports. This equipment was also towed to Cuba by Soviet merchant tugs.

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NOTES

North Vietnam: Two North Vietnamese coastal merchant ships have eluded the mines around Haiphong and have been recently seen by the US Navy in Chinese waters. Both were photographed in Haiphong harbor as late as 20 November. These are the first two merchant ships to depart Haiphong since the harbor was mined in May. Both ships are relatively small and, if they left the port empty, could have taken advantage of high tides in late November to skirt the minefields. The main channel into Haiphong is still mined and could not be used by ocean-going ships.

Greece: [redacted]

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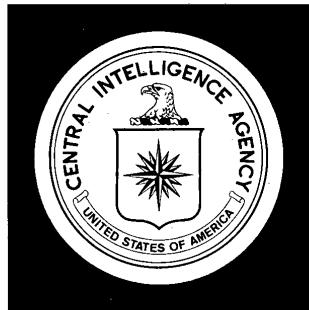
Norway: [redacted]

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The President's Daily Brief

2 December 1972

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THE PRESIDENT'S DAILY BRIEF

2 December 1972

PRINCIPAL DEVELOPMENTS

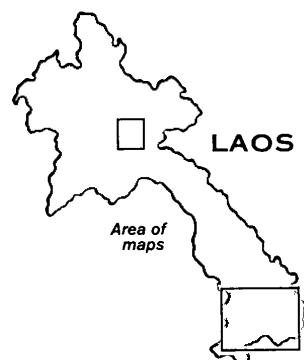
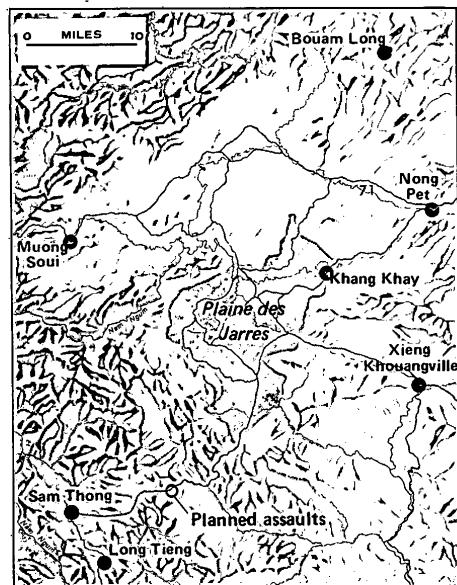
The Communists may be preparing to attack Lao Government bases around the Plaine des Jarres. (Page 1)

The USSR has adopted new regulations on emigration of Jews. (Page 2)

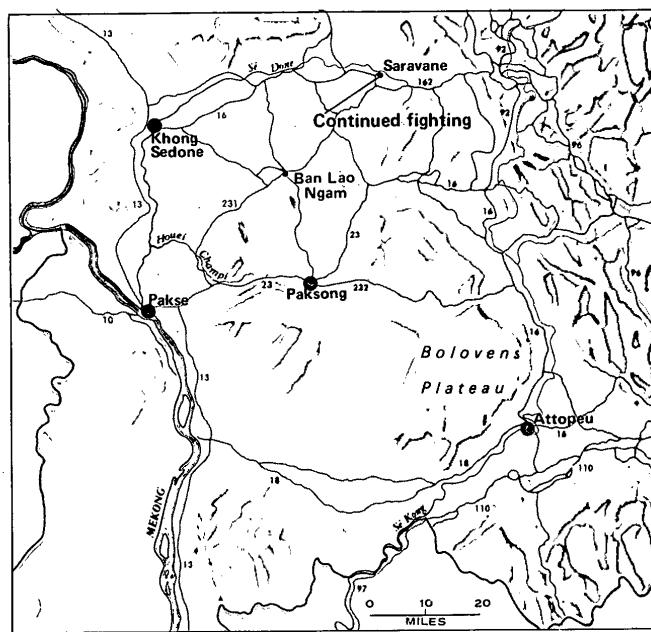
[Redacted] 25X1

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FOR THE PRESIDENT ONLY



● Government-held location
● Communist-held location



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LAOS

*The Communists may be preparing to break
the three-week lull in fighting around
the Plaine des Jarres.*

Intercepts suggest that at least two North Vietnamese battalions plan strong assaults in the next few days on government positions about seven miles east of Sam Thong, the former refugee center near Long Tieng. Other Communist units appear to be preparing for an attack on Bouam Long, the government's only significant base north of the Plaine.

The North Vietnamese have also begun a major supply push. Intercepts of 28 November reveal that 60 to 70 vehicles are scheduled to arrive "each night" at a transshipment facility which handles supplies destined for north Laos. A few days earlier, 250 tons of ammunition and explosives and over 100 tons of food were en route.

In the south, North Vietnamese troops moved into Saravane on 30 November following a heavy shelling attack and are now battling for control of the town, which has changed hands three times in the past month. The Communist counterattack followed a week of sharp skirmishing as reinforcements from the North Vietnamese 968th Division moved into the area.

FOR THE PRESIDENT ONLY

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USSR

A Soviet Jew who visited the Moscow visa office of the Ministry of the Interior in late November saw new emigration regulations posted there. He told a US Embassy officer that in substance the regulations restrict the right to apply for exit visas to those with close relatives already abroad. "Close relatives" were defined as father, mother, brother, sister, son, or daughter.

Previously, Jews had been permitted to leave on the basis of having any relative abroad or having an "official" invitation from the Israeli Government. Such relatively lax restrictions had up to now permitted several hundred Jews per week to emigrate. The new limitations may be an alternative to the controversial education tax that the Soviets imposed in August. This tax aroused widespread protest abroad and may now be allowed to lapse.

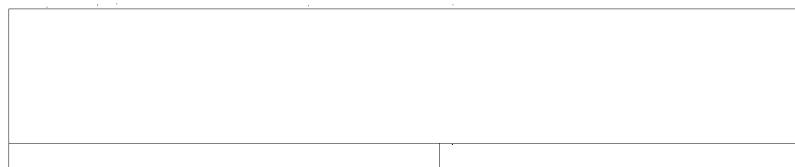
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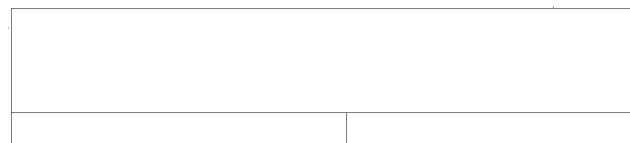
JORDAN



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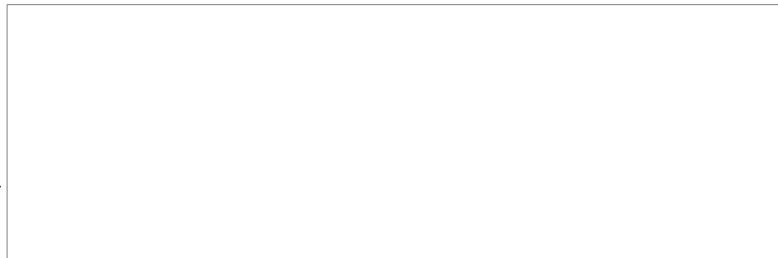
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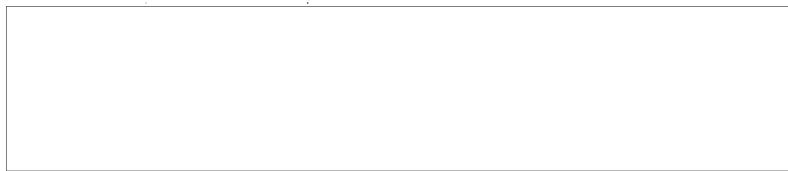
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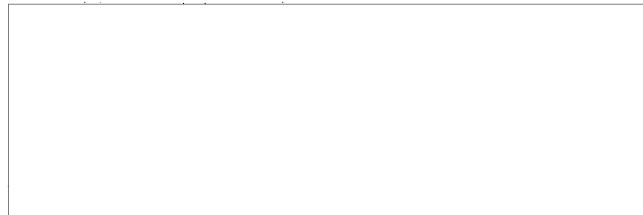
CHILE



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NOTES

North Vietnam: [redacted]

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USSR: Moscow's main concern during the first ten days of the preparatory meeting for a Conference on Security and Cooperation in Europe has been to keep the talks moving smoothly and rapidly.

[redacted] 25X1

Soviet delegates have sought assiduously to establish friendly working relations with the Western delegations. Ambassador Mendelevich, for example, has sought out the US delegation for frequent consultations.

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[redacted] 25X1

USSR-Cuba: [redacted]

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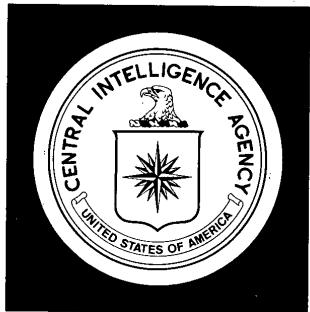
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Syria-Jordan: Syria had mixed motives for re-opening its borders with Jordan yesterday. In part, the action was intended to show new Arab unity in the face of Israeli raids on Syria, and in part it was in response to pressure from other Arab states whose economies had been hurt. The frontiers--including air routes--had been closed since July 1971 as a gesture of Syrian sympathy for the fedayeen, who had been virtually eliminated by Jordanian forces. There has been no suggestion that Jordan will return a quid pro quo, and particularly no indication the fedayeen would be welcomed back to Jordan.

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4 December 1972

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THE PRESIDENT'S DAILY BRIEF

4 December 1972

PRINCIPAL DEVELOPMENTS

Gough Whitlam, leader of Australia's newly elected Labor Party government, has reaffirmed the key role of the US alliance, but a review of US military and scientific installations is promised. (Page 1)

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General Secretary Brezhnev's visit to Hungary showed none of the discord that surfaced some months ago in Soviet-Hungarian relations. (Page 3)

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AUSTRALIA

Prime Minister-elect Whitlam made it clear over the weekend that the alliance with the US will remain the cornerstone of Australian foreign policy, but Labor Party spokesmen have promised to re-examine the agreements permitting US military and scientific installations in Australia.

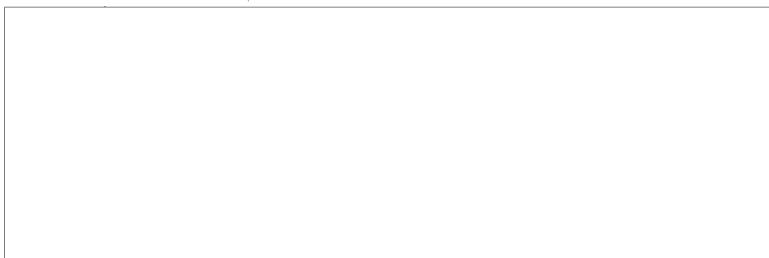
It is clear that some party leaders, including prospective defense minister Barnard, are not well versed on the US facilities. Once they become fully informed on the benefits Australia derives from the installations, we believe the new government will conclude that they fit within the framework of the ANZUS treaty, the formal basis of the US alliance. Whitlam may seek a more independent position within the alliance, however.

The new administration will make some changes in the previous government's "forward defense" doctrine. Most immediately, it is likely to bring home the small training contingent left in Vietnam after the withdrawal of Australian combat forces last year. Whitlam has said that Australia will honor its commitments to Malaysia and Singapore under the five-power agreement with the US and New Zealand, but wants eventually to reduce the Australian military presence in Malaysia and Singapore to training and assistance missions arranged bilaterally.

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USSR



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FOR THE PRESIDENT ONLY

NOTES

USSR-Hungary: General Secretary Brezhnev's visit to Hungary last week appears to have gone according to expectations with no signs of significant differences. With a bow to Hungary's special approach to some economic matters, such as its departures from centralized planning, the communique asserted the need for continued "reciprocal study and sharing of experiences." The absence of the discord that surfaced earlier in the year undoubtedly reflected Moscow's wish to avoid tensions in Eastern Europe when broader European negotiations are beginning. Romania is already asserting its independent role in the Helsinki talks.

Jordan: Foreign Minister Zayd hopes to exploit Syria's reopening of its borders with Jordan last Friday with quick moves to end Amman's diplomatic isolation in the Arab world. He intends to go to Damascus to urge restoration of diplomatic ties before the Arab defense ministers meet early next week, and plans to urge Cairo to do likewise. He also hopes that Kuwait will quickly agree to resume the subsidy cut off after Jordan expelled the fedayeen. The fedayeen, for their part, have remained notably silent on Syria's action, but however much they are hurt they will find it difficult to criticize their strongest supporter.

Thailand: Early yesterday morning Communists directed some small arms fire against Nakhon Phanom air base but caused no damage to US facilities or aircraft. This was the fifth such incident at US-tenanted air bases in Thailand this year, and the first at Nakhon Phanom. The action came on the heels of the first insurgent attack on a government district headquarters at Na Kae, some 30 miles to the south

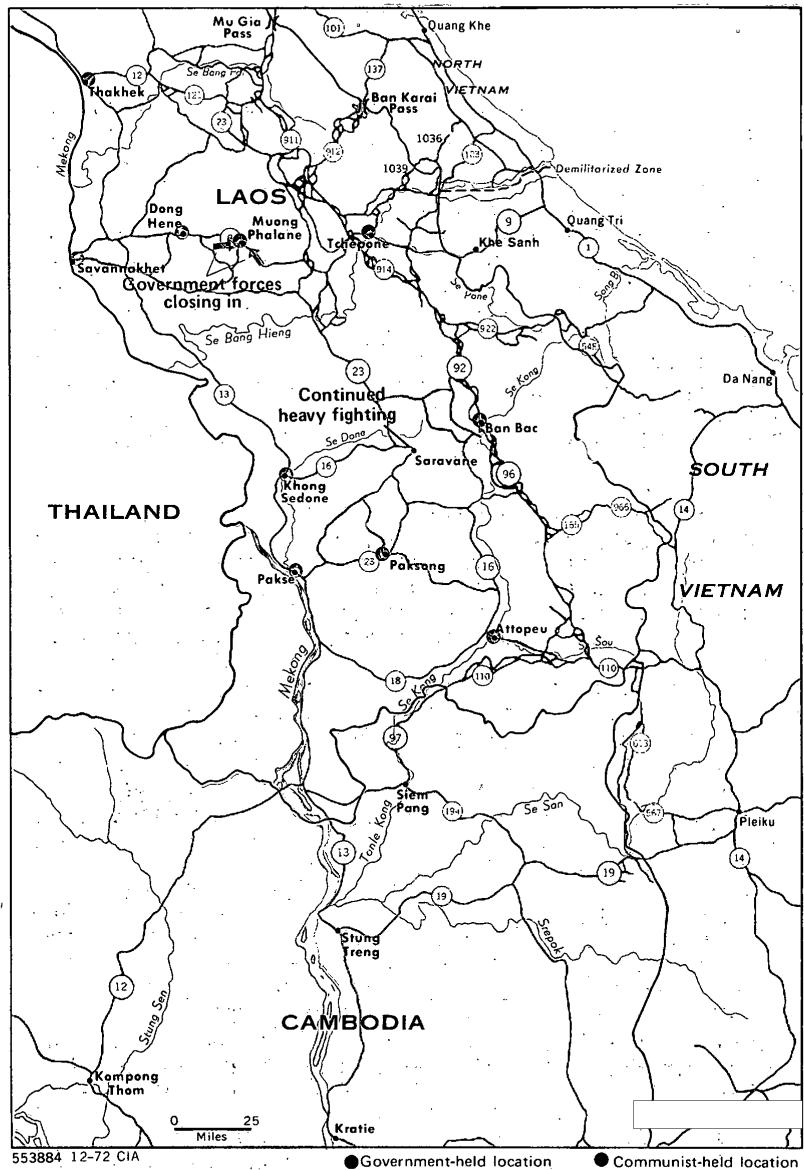
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The Communists presumably hope to disrupt the government's three-battalion counterinsurgency campaign launched in the province on Friday.

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Laos: Heavy fighting continued over the weekend in the panhandle. Government irregulars moved closer to Muong Phalane, but another government unit, situated along the western edge of the town, has been unable to move against the well-entrenched enemy in the center. Farther south, Communist forces maintained their hold on the northern part of Saravane, which they re-entered late last week.

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The President's Daily Brief

5 December 1972

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THE PRESIDENT'S DAILY BRIEF

5 December 1972

PRINCIPAL DEVELOPMENTS



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(Page 2)

Several Soviet Komar missile boats appear to be en route to North Vietnam. (Page 3)

The North Vietnamese are preparing to increase their efforts to gain diplomatic recognition from South-east Asian and European countries as soon as a cease-fire is arranged. (Page 4)

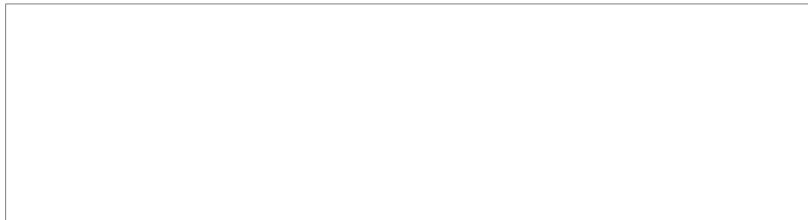


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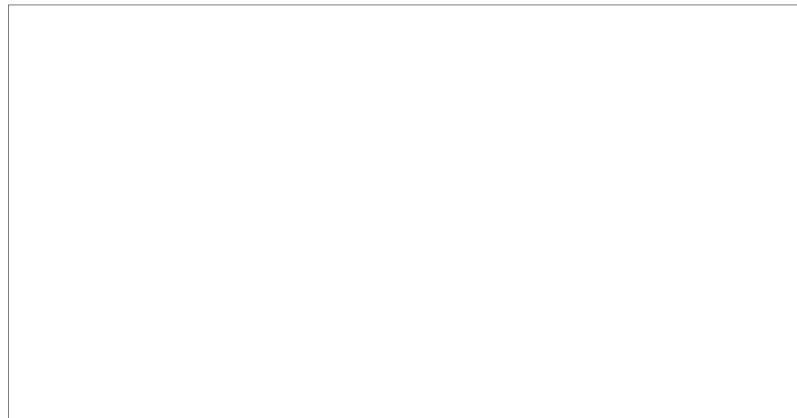
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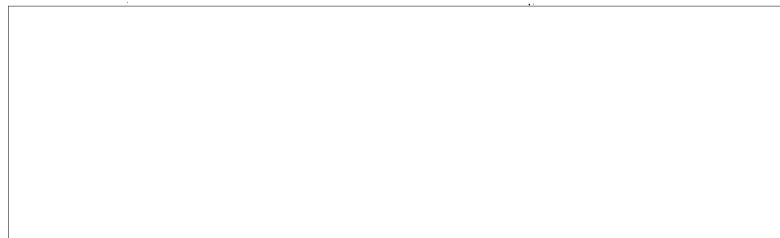
CHINA - SOUTHEAST ASIA



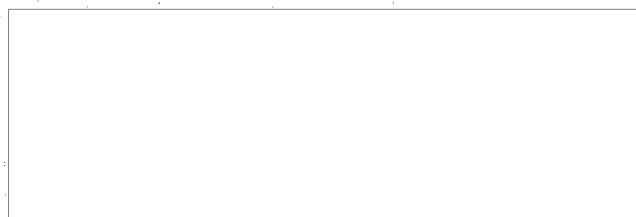
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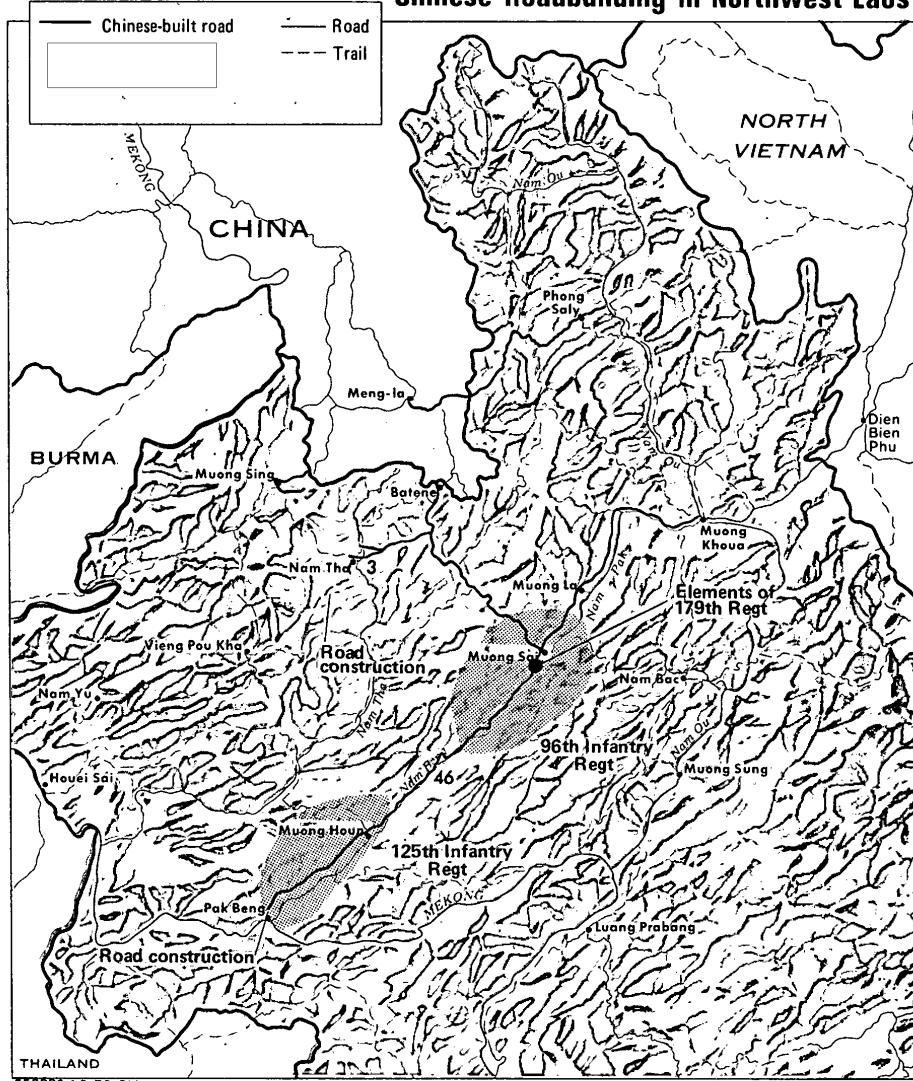
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Chinese Roadbuilding in Northwest Laos



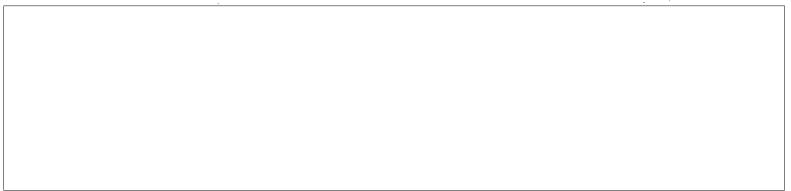
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CHINA-LAOS



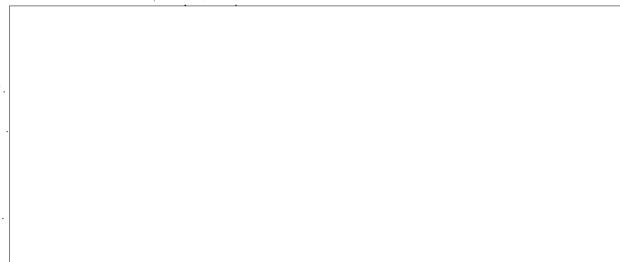
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USSR - NORTH VIETNAM

[redacted] at least two and most likely four Komar missile boats were loaded aboard freighters in Vladivostok.

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Chan-chiang is one of the Chinese ports used for transshipment of materiel to North Vietnam. The Chinese produce their own version of the Komar in large numbers, so the craft delivered to Chan-chiang would appear to be for North Vietnam.

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The Komar carries two antiship cruise missiles with a range of 12 to 15 miles. It is designed for defending coastal areas against larger surface ships. [redacted]

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NORTH VIETNAM

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[redacted] Hanoi intends to mount a drive for diplomatic recognition in non-Communist countries as soon as a cease-fire agreement is signed. Countries in Southeast Asia and Europe will be the main targets, although the North Vietnamese will also attempt to upgrade existing contacts with Japan and Hong Kong. If Hanoi cannot get formal recognition, it will try to establish trade missions or travel offices.

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The North Vietnamese have already gained diplomatic recognition from several European countries--Austria, Denmark, Norway, and Switzerland--and they have been angling with some success for closer economic relations with the Japanese. In the process Hanoi has softened some long-standing preconditions and is now willing, for example, to accept ambassadors from countries that have embassies in Saigon.

The Viet Cong's Provisional Government also intends to mount a new diplomatic effort designed to differentiate the PRG clearly from Hanoi.

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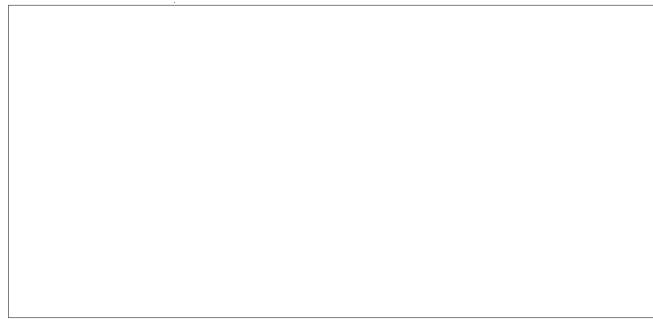


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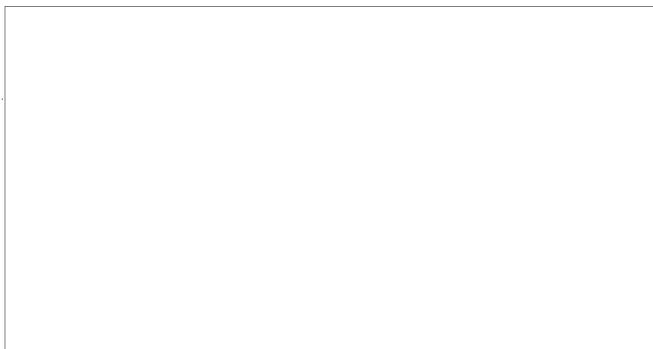
ISRAEL



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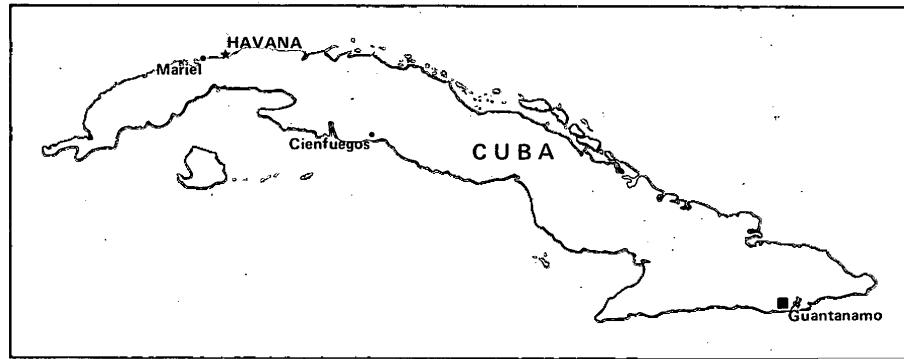
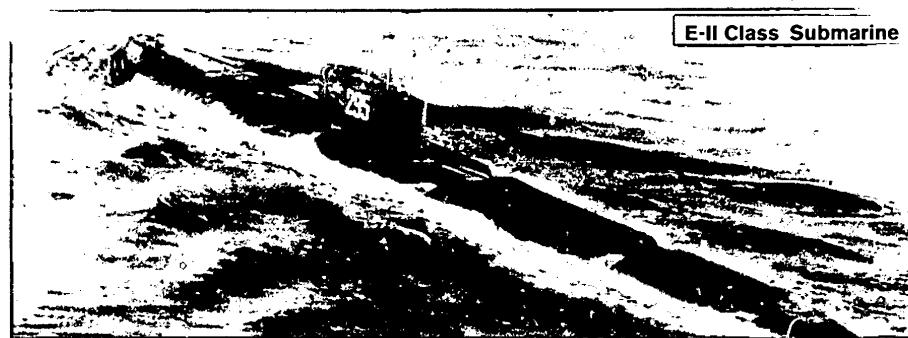


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FOR THE PRESIDENT ONLY

NOTES

North Vietnam: Hanoi's annual dry-season effort to resupply its forces throughout Indochina appears to be under way. Intercepts indicate heavy vehicular traffic carrying large amounts of war supplies through southern North Vietnam. Because of the great volume of goods involved, the normal policy of traveling only at night has been relaxed. We have also noted sharply increased logistics activity from North Vietnam into the Laos panhandle and the beginnings of a major supply push into northern Laos as well.

Vietnam: [redacted]

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[redacted]
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USSR-Cuba: [redacted] a

Soviet nuclear-powered cruise missile submarine arrived at Cienfuegos on Sunday. Submarines of this class (the E-II) have appeared in this port twice before, once in 1970 and again last year. At present, the Soviets also have a cruiser, a destroyer, a diesel-powered submarine, and auxiliary vessels in Cuban waters.

25X1

[redacted]
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Honduras: The long-expected overthrow of President Cruz took place quietly yesterday morning, and General Oswaldo Lopez, chief of the armed forces, has resumed the presidency for "a minimum of five years." The new government may begin with some nationalistic posturing, but we expect no real challenge to US interests.

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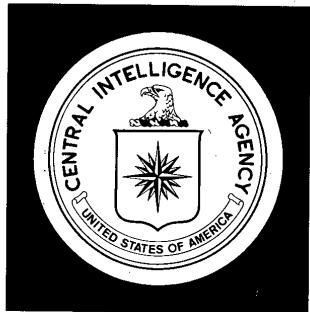
FOR THE PRESIDENT ONLY

Haiti: Since President Duvalier dismissed Luckner Cambronne from his cabinet last month, Haiti has been swept by rumors of additional impending dismissals from the government. Despite an official denial, such rumors have generated unrest reaching into the armed forces. Some officers [redacted] are for the first time in years talking among themselves about the need for basic changes. A handful are said to be determined to prevent further consolidation of the Duvalier family's power. It is unusual for such thoughts to be bruited about among the Haitian military, long a submissive tool of the dictatorship. We do not expect an early coup attempt, but the current atmosphere will not soon be dissipated.

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THE PRESIDENT'S DAILY BRIEF

6 December 1972

PRINCIPAL DEVELOPMENTS

Some important South Vietnamese oppositionists are seeking to unite with President Thieu in an anti-Communist stand during a cease-fire. (Page 1)

Soviet military leaders have muted the usual "anti-imperialist" themes in recent public speeches. (Page 2)

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FOR THE PRESIDENT ONLY

SOUTH VIETNAM

25X1

Some important opposition elements are seeking a united anti-Communist stand in the cease-fire period. [redacted] a key group of Catholics led by Senate Chairman Nguyen Van Huyen, who earlier this year was among the most outspoken critics of the government, now believes that all opposition groups must support the government in order to prevent a Communist take-over after the fighting stops. Huyen has put out feelers to the government concerning a reconciliation. His group appears to have abandoned an alliance with other opposition senators and recently voted with the progovernment forces in support of President Thieu's peace stand.

Another major opposition group that is reconsidering its position is the An Quang Buddhist element. Many of its leading members favor toning down criticism of the government, at least for the time being. They are said to be more concerned with the survival of an anti-Communist government than with Thieu's shortcomings, and some indicate that they would like to cooperate with Thieu. Other Buddhists, however, such as those in the National Assembly, continue to attack the government and prefer that Thieu step down.

Many of those who favor cooperation with Thieu also believe that the government must broaden its base if it is to survive a political contest with the Communists. This view was recently expressed by influential independent Senator Dang Van Sung, who told US Embassy officers that he fears the Thieu government will be unable to cope with "peace time" problems because of the "military outlook" of Thieu's entourage.

It remains to be seen whether Thieu will take advantage of these opposition sentiments to strengthen his government for the long haul. He has already considered and decided against formally bringing opposition elements into his government, but he might be willing to consider some less formal arrangement. Basically, however, he has little respect for most South Vietnamese politicians or for their political significance.

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USSR

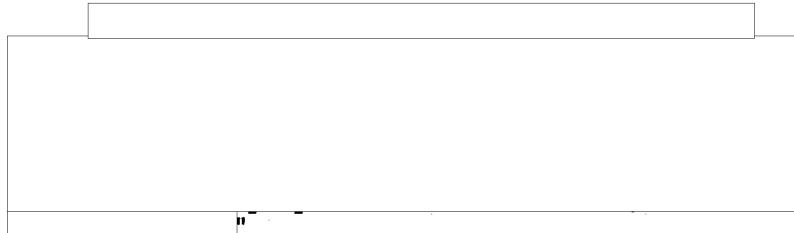
The improved state of Soviet-US relations was exemplified in the recent statements of Soviet military leaders on the annual occasion of Rocket Forces and Artillery Day. Traditionally, this day has been reserved for bellicose bravado stressing the "imperialist threat" and the destructive power of Soviet strategic weapons.

This year such themes were muted, and one of the major speakers had mild praise for the SALT agreement instead. He cited the accord as a "favorable basis for further relaxation of tension," but voiced Moscow's perennial caution that better relations with the USSR can only be built on the basis of strategic equality, with no unilateral military advantages.

Even Marshal Grechko, who last year spoke of "administering a resolute rebuff to any aggressor," was non-polemical. Grechko did not mention SALT, but he went on record in favor of the agreement in his speech to the Supreme Soviet on 29 September, when the treaty was ratified.

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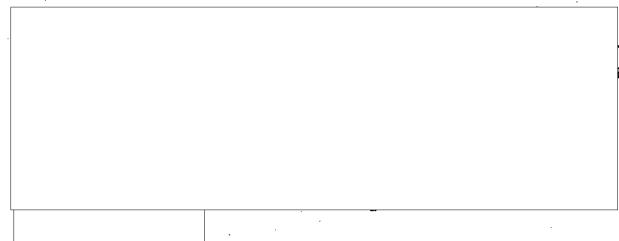
USSR-INDIA



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FOR THE PRESIDENT ONLY

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NOTES

India: The government is going to be short one million more tons of grain than it had anticipated, necessitating the import of between two and three million tons. Due to worldwide shortages of rice and wheat, India will have to come to the US for the major share of its foreign purchases of substitute grains. This state of affairs may have something to do with Foreign Minister Swaran Singh's recent statement to parliament in favor of better relations with the US. Singh was backed up this week by Prime Minister Gandhi during one of her informal press conferences.

Fedayeen: Fatah groups, chafing under restrictions imposed on them by Lebanon's government and perhaps Syria's as well, are increasingly turning to fratricidal factionalism. The scapegoat in this situation is Yasir Arafat, whose leadership post is being sought by at least six contenders, the most dangerous of whom is Khalil al Wazir, Syria's candidate.

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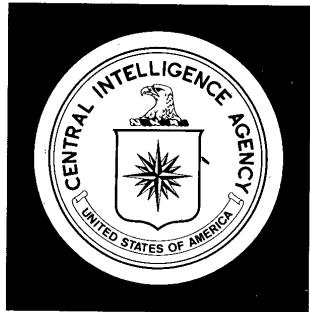
If Arafat is deposed or killed, there would be little chance that his successor could unify Fatah.

Jordan:

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FOR THE PRESIDENT ONLY

LATE ITEM

Philippines: The wife of President Marcos was stabbed by an unidentified assailant at a social gathering near Manila today. The extent of her injuries is not known, but preliminary reports suggest she is not in danger.

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THE PRESIDENT'S DAILY BRIEF

7 December 1972

PRINCIPAL DEVELOPMENTS



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The South Vietnamese drive to move north from Quang Tri City to the Cua Viet River is meeting stiffening resistance and is handicapped by continuing poor weather. (Page 3)

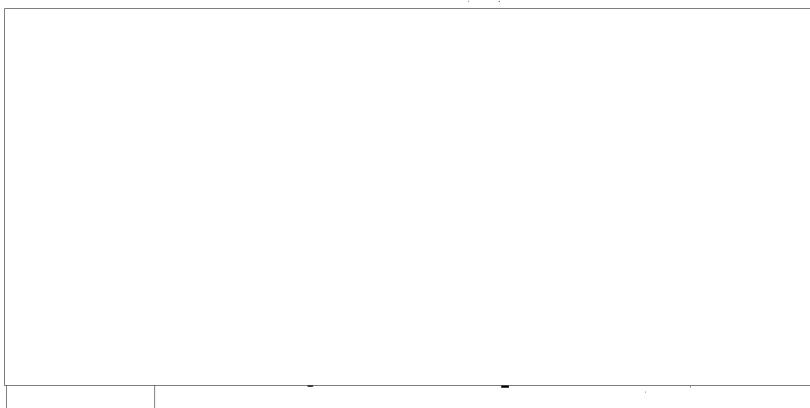
Government forces have captured Paksong on the Bolovens Plateau and are on the verge of retaking another important town in south Laos. Meanwhile, the leaders of the Lao Communist negotiating team will return to Vientiane this weekend in preparation for next Tuesday's session of the peace talks. (Page 4)

Efforts to negotiate an agreement between the Argentine Government and Juan Peron on the designation of candidates for the elections next March remain stalled. (Page 5)

FOR THE PRESIDENT ONLY

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WEST GERMANY



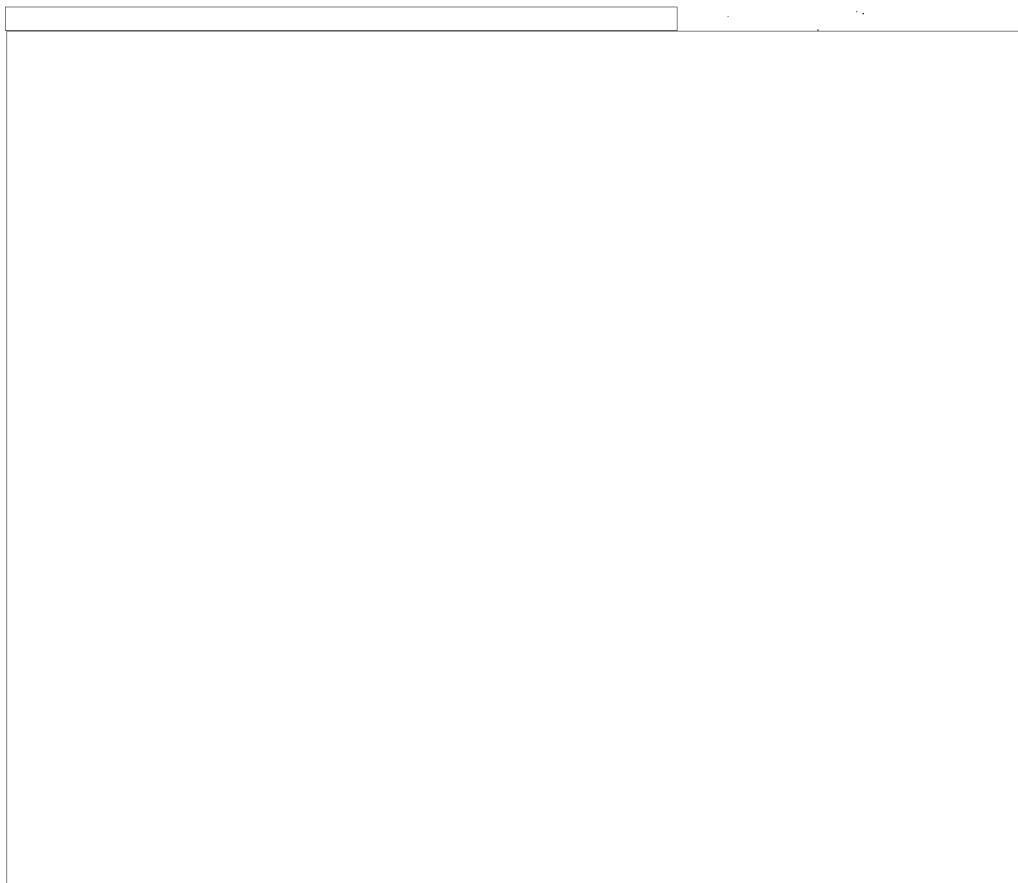
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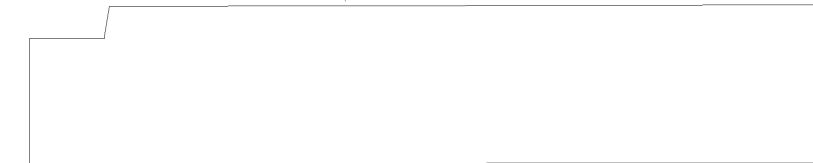


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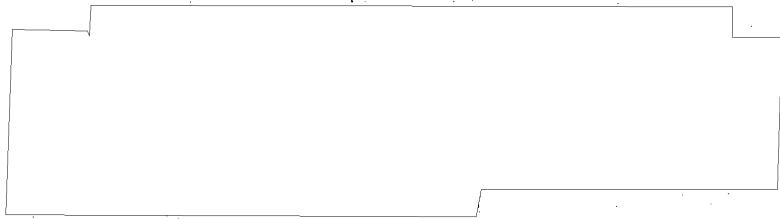
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USSR-SOMALIA



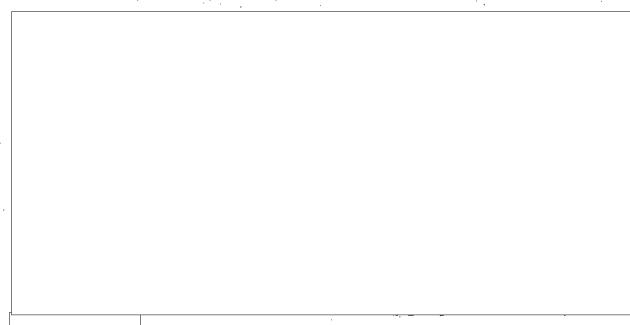
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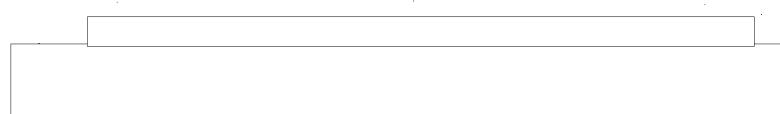
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FOR THE PRESIDENT ONLY

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SOUTH VIETNAM

The government drive to move north from Quang Tri City to the Cua Viet River is meeting stiffening resistance and is handicapped by continuing poor weather. There is increasing evidence that the North Vietnamese forces in this sector have been strengthened since their heavy losses last summer. One captured soldier claims that he was part of a 600-man infiltration group that was rushed into action almost immediately on arrival. His group, he says, joined the 48th Regiment, which replaced another regiment that had been badly battered in the Communists' front-line defenses.

In the western highlands, the combat performance of South Vietnamese troops has improved in recent weeks. Enemy forces nevertheless are still checking most of the limited government efforts to expand control outside the provincial capitals of Kontum and Pleiku.

Where the situation permits, the Communists appear largely content with economy-of-force tactics as a means of demonstrating continued military strength and presence. This presumably was the purpose of the well-staged rocketing of Saigon's airport early yesterday. Although the results were marginal from a military standpoint, the Communists could stage additional attacks of this nature in an effort to dramatize their capability.

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

LAOS

Government forces have captured Paksong on the Bolovens Plateau and are on the verge of retaking another important town in south Laos. Irregular units in the central panhandle report that only two platoons of Communist troops remain in Muong Phalane, which has been in enemy hands since May of last year. The North Vietnamese continue to put up stiff resistance, however, and must be driven from each bunker. Elements of an enemy regiment are also resisting government moves to secure villages in the surrounding area.

* * *

The leaders of the Lao Communist negotiating team who went to their headquarters at Sam Neua via Hanoi last week will return to Vientiane this Sunday, according to Pathet Lao spokesman Soth Phetrasy. Soth has asked an International Control Commission official in Vientiane to arrange a special flight from Hanoi, saying that the leaders of the team are in a hurry to get back for next Tuesday's session of the peace talks.

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

ARGENTINA

Efforts to negotiate an agreement between the government and Juan Peron on the designation of candidates for the elections next March remain stalled. The military has leaked word that it plans to organize a "third force" to oppose both the Peronists and the Radicals in the elections. It would be based on a coalition of provincial parties and be led by an active duty officer.

This move appears designed mainly to put pressure on Peron to engage in serious negotiations. Although such a military-led coalition seems bound to fail in present circumstances, senior officers would at least have someone in the running by the filing deadline of 21 December if President Lanusse and Peron have still not reached an accord by then.

Peron remains the announced candidate of his followers' "Justicialista Front," but there are signs that the Peronists have now accepted the government's stand that the former dictator cannot run because he was not in the country by 25 August. We expect the Peronists will maintain his candidacy as long as possible, however, in an effort to hold the movement together.

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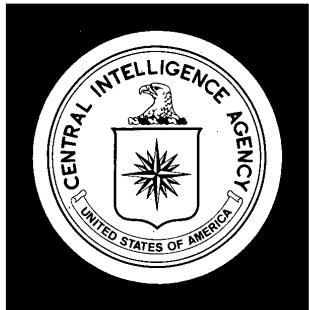
FOR THE PRESIDENT ONLY

NOTE

India: The non-Communist press has joined in welcoming the prospect of improved relations with the United States signaled in Foreign Minister Singh's speech last week and in Secretary Rogers' response. Reaction has been slower to Singh's call for better relations with Peking, but most informed Indians think this too would be to India's advantage.

FOR THE PRESIDENT ONLY

Top Secret



The President's Daily Brief

8 December 1972

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FOR THE PRESIDENT ONLY

THE PRESIDENT'S DAILY BRIEF

8 December 1972

PRINCIPAL DEVELOPMENTS

On *Page 1* we note that President Pompidou's visit to the USSR next month should help his government's campaign in the coming elections and underline Pompidou's determination to play a key role in major East-West negotiations.

Romania's independent stance in the Helsinki talks has stirred sharp criticism from its Warsaw Pact allies. (*Page 2*)

In South Vietnam, three new decrees significantly enhance the Thieu government's power. (*Page 3*)

On *Page 4* we discuss Philippine President Marcos' progress in having his new constitution adopted. He can be expected to use yesterday's attack on his wife to justify further his extraordinary powers.

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Moscow apparently intends to respond favorably to the West's invitation to open MBFR talks soon. (*Page 5*)

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

FRANCE-USSR

President Pompidou's visit to the USSR next month is particularly well-timed for the French. Facing parliamentary elections next spring, the government wants to undercut the Communist-Socialist coalition which, after a slow start, is showing increasing unity and popular support. By his trip Pompidou can both counter allegations of a Gaullist "slide toward Atlanticism" and emphasize France's carefully cultivated "special relationship" with Moscow. Foreign Minister Schumann has privately stated the government's campaign line: only a staunchly anti-Communist government can maintain close ties with Moscow without becoming subservient.

Coming at the outset of major East-West negotiations, the visit also underscores Pompidou's determination to play a key role in the process of detente. Both Paris and Moscow will use the visit to highlight the convergence of views on a number of issues affecting these negotiations, such as giving priority to the Conference on Security and Cooperation in Europe over Mutual and Balanced Force Reductions.

Moscow, which sees value in demonstrating the vitality in the "special relationship," apparently is willing to allow the French Communist Party to pay whatever electoral price is necessary. To show that it has not forgotten the comrades, the Kremlin is sending senior Politburo member Suslov to the 20th congress of the French party next week.

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

ROMANIA - EASTERN EUROPE

Romania's strenuous efforts at Helsinki to establish itself as an independent participant in preparations for a Conference on Security and Co-operation in Europe have provoked sharp criticism from its allies. Warsaw considers that Bucharest's breaking of ranks is unnecessary, and fears that Moscow now may try to tighten Pact discipline. Party leader Gierek, who has considerably improved relations with Romania in his two years in power, has shown his displeasure by suddenly canceling a trip to Romania scheduled to begin on Sunday.



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Despite these reactions, the Romanians will continue pressing their own line in order to preserve and hopefully increase their room for maneuver as Europe moves toward detente.

FOR THE PRESIDENT ONLY

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SOUTH VIETNAM

Three new decrees announced this month have significantly enhanced the government's power. They extend and codify the authority given President Thieu by the Emergency Powers Act passed at the time of the Communists' spring offensive and scheduled to expire this month. Their major features include:

--A state of alert can be invoked in all or part of the country during a "critical situation" or "public calamity." The government could then control the movement of people and goods, end all strikes and demonstrations, and ban publications or leaflets considered detrimental to national security.

--A state of emergency can be imposed in the event of "imminent upset of public order or catastrophe." Under it officials can impose curfews, detain or arrest any individuals considered dangerous to public order, and declare martial law.

--A state of curfew can be ordered if there is "clear and critical danger to the national security." The government could then transfer all civil authority to the military.

When any of the decrees is invoked, officials are exempt from prosecution if they kill or injure anyone in self-defense. For the first time tough penalties, including capital punishment, can be imposed for economic crimes such as hoarding, overcharging, or spreading rumors designed to upset the economy.

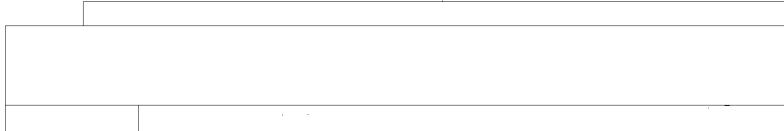
FOR THE PRESIDENT ONLY

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PHILIPPINES

President Marcos will use yesterday's attack on his wife to justify further the extraordinary powers which he employs now under martial law and is preparing to continue under a new constitution. A government spokesman has already charged that a "rightist conspiracy" is behind the attack. Increased arrests within the oligarchy could result.

Marcos will submit the constitution to national referendum next month and is busily orchestrating public support. He has also announced the formation of a mass national front organization that he hopes eventually will replace the traditional two-party system.



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NOTES

Cuba-Caribbean: Cuba expects to take part today in the signing of a joint declaration with the four Commonwealth Caribbean states formally agreeing to exchange diplomatic recognition.

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Negotiation of this declaration has been under way for more than a month, and at one point Jamaica's Prime Minister Manley had thought he would not go along.

USSR-MBFR:

Moscow will soon respond favorably to the West's invitation to open discussions on Mutual and Balanced Force Reductions early in the new year. General Secretary Brezhnev acknowledged during a speech in Hungary last week that consultations were already under way on the matter among Moscow's Warsaw Pact allies. These may culminate in a formal Pact meeting later this month. Romania's insistence that it attend all stages of the MBFR talks has caused some complications for Moscow.

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Somalia: The Soviet role in Somalia is one of several factors that have caused opposition to President Siad to reach dangerous proportions. Siad's harsh measures against his domestic opponents, his efforts to eradicate tribalism, and his unpopular socialist policies are also undermining his three-year rule. Several groups, which include members of the ruling council and senior military and police officers, are planning to remove him soon. Siad, on the other hand, is no novice in the business of foiling plots against his rule.

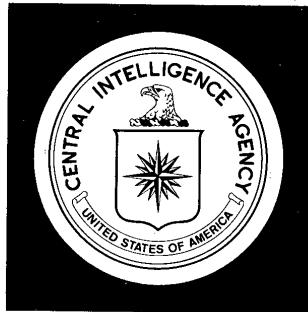
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Pakistan: Islamabad has ordered 18 Mirage III jet interceptors to augment its inventory of 20 Mirage IIIs previously acquired from France. In addition, sometime this month Pakistan is scheduled to receive at least the first five of 30 Mirage 5 ground attack aircraft ordered from Paris in 1970. Islamabad has also reportedly arranged with Peking to acquire next year a squadron of 12 to 16 TU-16 jet medium bombers to supplement its small force of aging US-built Canberra and Chinese IL-28 light bombers.

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The President's Daily Brief

9 December 1972

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FOR THE PRESIDENT ONLY

THE PRESIDENT'S DAILY BRIEF

9 December 1972

PRINCIPAL DEVELOPMENTS

In South Vietnam, the Communists are again reported preparing to launch a last-minute round of attacks before a cease-fire is declared. The Saigon government, concerned that political prisoners--if released under terms of the cease-fire--would provide a further source of Communist manpower, hopes to continue their detention by developing criminal charges against as many prisoners as possible.
(Page 1)

Japan plans to open its embassy in Peking by the end of January. *(Page 2)*

India and Pakistan reached accord on the line of control in Kashmir on 7 December, thus clearing the way for mutual troop withdrawals. *(Page 3)*

The Lebanese Army yesterday began operations against fedayeen elements that have reinfilitrated the Lebanon-Israel border area in defiance of a government ban. *(Page 4)*

Somalia's President Siad is reported to have been forced out of office by his colleagues on the ruling council. *(Page 5)*

(Page 6)

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FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

SOUTH VIETNAM

The Communists are again reported preparing to launch a last-minute round of attacks, this time before 25 December, in order to obtain control of as much of the countryside as possible before a cease-fire is declared.

the Central Office for South Vietnam says there will be a cease-fire in Vietnam between 25 December and 1 January. Attacks are said to have been ordered north and west of Saigon and in Tay Ninh Province. Recent Communist movements in northern South Vietnam suggest that units there are also preparing for combat.

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The Saigon government, concerned that political prisoners, if released under terms of the cease-fire, would provide a further source of Communist manpower, would like to continue their detention.

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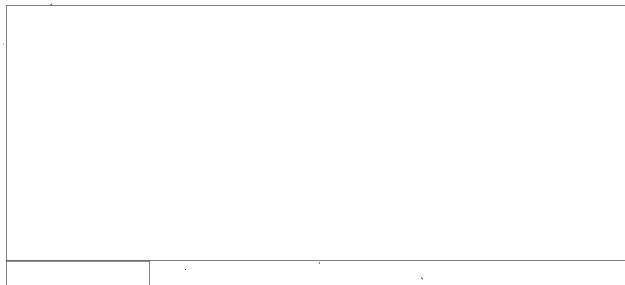
Communist prisoners in South Vietnam are estimated at between 30,000 and 40,000.

FOR THE PRESIDENT ONLY

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JAPAN-CHINA

The Japanese cabinet expects to issue an order on 15 December closing its embassy in Taipei and authorizing the establishment of an embassy in China. Japan plans to open the Peking embassy by the end of January.



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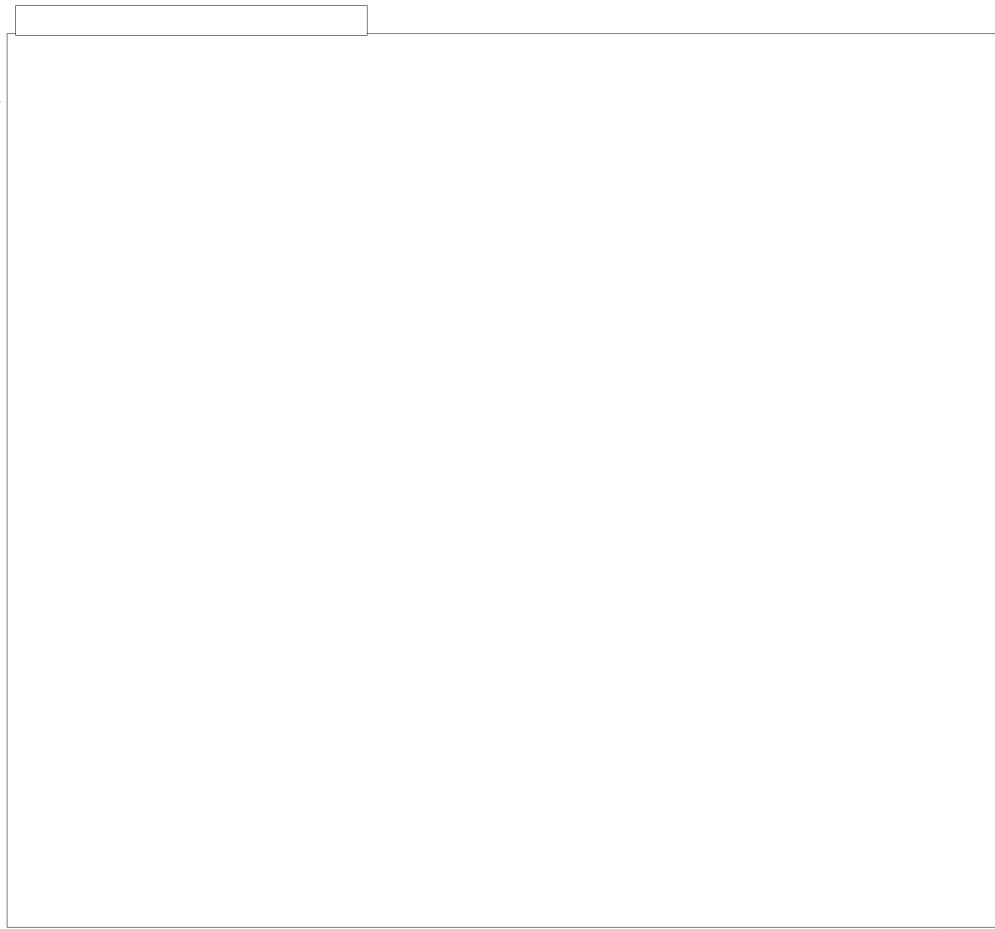
INDIA-PAKISTAN

India and Pakistan reached accord on the line of control in Kashmir on 7 December.

Although terms of the agreement have not been publicized, Pakistan apparently abandoned its claim to a one and one-half square mile enclave in return for equivalent territory elsewhere on the line of control. Both countries presumably will maintain that this exchange does not affect the claim of each to all of Kashmir. The agreement clears the way for mutual troop withdrawals.

Progress toward over-all resolution of the 25-year Kashmir dispute remains unlikely. Both sides seem willing for the time being to live with the situation.

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FOR THE PRESIDENT ONLY

LEBANON-FEDAYEEN

The Lebanese Army yesterday began operations against fedayeen elements that have reinfiltred the Lebanon-Israel border area in defiance of a government ban. The guerrillas are apparently putting up stiff resistance, and there have been casualties on both sides. The Lebanese have been especially sensitive to fedayeen movements in the border area since the Israeli commando strike on 23 November against a fedayeen band just north of the Israeli border.

The guerrillas' willingness to provoke the Lebanese Army at this time may reflect an attempt by guerrilla leader Yasir Arafat to strengthen his sagging leadership position. He has been severely criticized by the movement's rank and file for his "capitulation" in agreeing to controls on the guerrillas.

There are some signs that passions are rising anew among pro-fedayeen elements at the American university and the refugee camps. This could once again threaten the delicate confessional balance in Lebanon.

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

SOMALIA

[redacted] President
Siad has been forced out of office by his colleagues on the ruling council. The move against Siad was triggered by his demand that two of the council members be arrested for plotting against him--a step that a majority of the council refused to take. The faction-ridden council has so far failed to agree on a new president, but has selected a triumvirate that presumably includes Vice-President Samantar, National Security Service (intelligence) Director Suleiman, and Information Minister Abokor.

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Although concern over the growing Soviet presence in Somalia may be a factor in Siad's ouster, these new leaders are likely to be too preoccupied with internal matters, especially maneuvering against one another, to give much attention to foreign policy questions any time soon.

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

NOTE

China:

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| <u>China:</u> | |
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The President's Daily Brief

11 December 1972

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THE PRESIDENT'S DAILY BRIEF

11 December 1972

PRINCIPAL DEVELOPMENTS

The annual Soviet - North Vietnamese aid agreements were signed in Moscow on 9 December with little of the usual fanfare. (Page 1)

In Laos, the North Vietnamese have broken the month-long lull in the north by attacking three irregular battalions in positions overlooking the enemy's principal access route to Sam Thong. (Page 2)

A cease-fire apparently has now been worked out between the Lebanese Army and Arab guerrillas that had reinfiltrated the Lebanon-Israel border area. (Page 3)

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FOR THE PRESIDENT ONLY

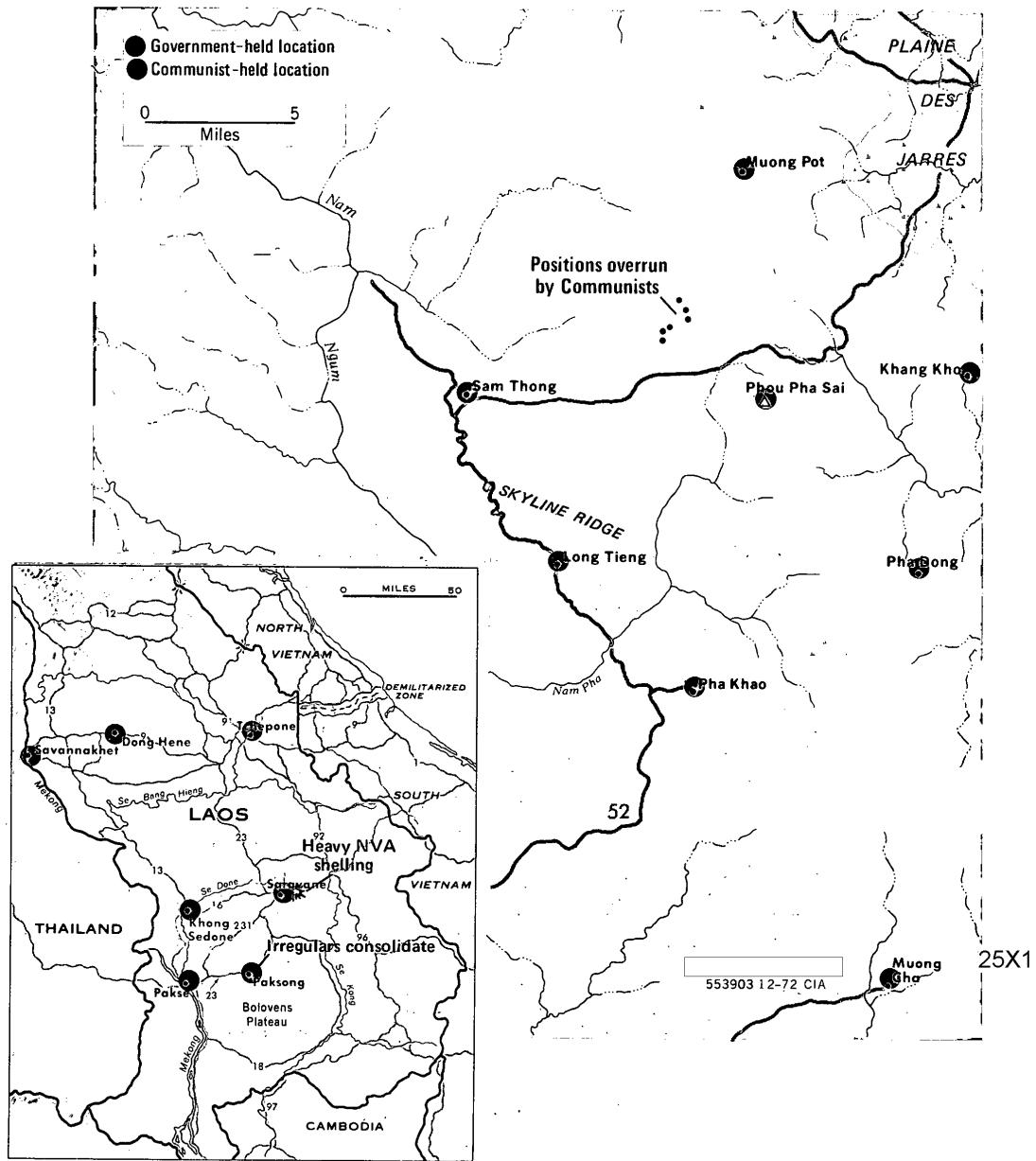
NORTH VIETNAM - USSR

The annual Soviet - North Vietnamese aid agreements were signed in Moscow on 9 December. As is usual, the TASS statement announcing the agreements did not provide figures. TASS emphasized that next year the USSR would ship--without compensation-- large consignments of goods, equipment, and other property of "great significance" for the development of the North Vietnamese economy and the strengthening of its "defense potential."

This year saw little of the fanfare normal for such occasions. Although in the past Soviet Premier Kosygin has generally been on hand, no top-level Soviet leader attended this year's signing. The Soviets also refrained from publicizing the "grand banquet" that is reported to have followed the ceremony. Moscow obviously is interested in downplaying its role in resupplying North Vietnam at a time when sensitive negotiations on ending the war are in progress.

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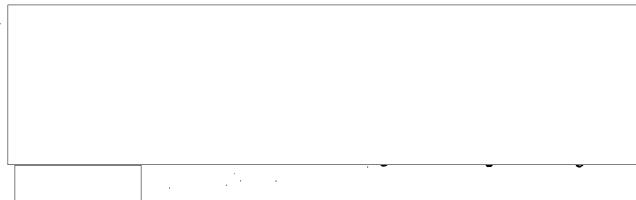
LONG TIENG AREA



FOR THE PRESIDENT ONLY

LAOS

The North Vietnamese have broken the month-long lull in the north. On Saturday company-size units of the North Vietnamese 174th Regiment, supported by moderate artillery and heavy weapons fire, attacked three irregular battalions in positions overlooking the enemy's principal access route to Sam Thong. The irregulars, although supported by heavy artillery, quickly withdrew after suffering some casualties.



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In the south, government troops in Saravane easily turned back an assault by three North Vietnamese battalions supported by artillery and heavy weapons fire. On the Bolovens Plateau, irregulars are taking advantage of the absence of resistance to consolidate their hold on Paksong.

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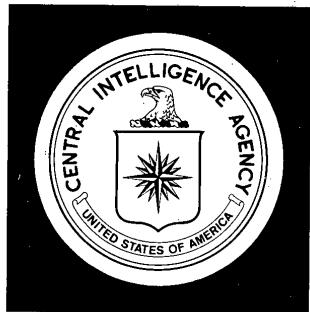
FOR THE PRESIDENT ONLY

NOTE

Lebanon-Fedayeen: On Saturday, Lebanese Army units clashed again briefly with Arab guerrillas that had reinfiltated the Lebanon-Israel border area in defiance of a government ban. A cease-fire apparently has now been worked out, however. Lebanese Army spokesmen report that the guerrillas have begun to pull back from the border areas.

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The President's Daily Brief

12 December 1972

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THE PRESIDENT'S DAILY BRIEF

12 December 1972

PRINCIPAL DEVELOPMENTS

South Vietnam

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Egypt's normally docile legislature has sharply criticized Prime Minister Sidqi, and reports abound that a new "war cabinet" will be formed. (Page 2)

Peking has been emphasizing that it endorses current Japanese defense arrangements--a reversal of its former condemnation of Japanese "remilitarization." (Page 3)

On Page 4 we analyze the significance of the shifts in party strength in the Japanese elections.

Thailand's military rulers plan a formal return to constitutional government next week. (Page 5)

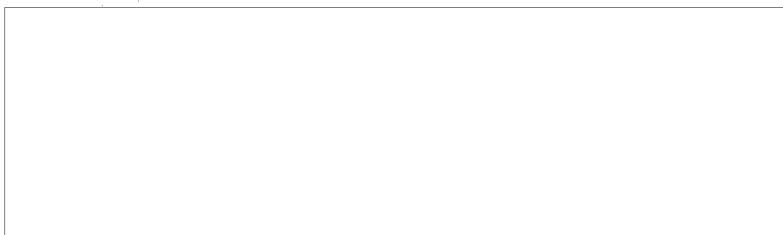
FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

SOUTH VIETNAM



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EGYPT

Last weekend Egypt's normally docile legislature was sharply critical of government policies. The legislature directed its fire primarily at Prime Minister Sidqi, and regarded as "unconvincing" his recent assertion that the government had completed plans for preparing Egypt for war.

The virtually unprecedented legislative attack on the prime minister seems to be indirectly aimed at President Sadat, who is far more responsible for the government's policies than Sidqi. The full accounts of the criticism published in the government-controlled press nevertheless could be intended by Sadat to pave the way for dumping the unpopular Sidqi. Reports that a "war cabinet" will soon be formed have been circulating in Cairo for the past two weeks.

These reports parallel a recent upsurge in public and private talk about the need to resort to the "war option," however futile that may be.

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Most influential Egyptians apparently believe that circumstances are not ripe for such action. The leaders in Cairo nevertheless may hope that the talk will stir new diplomatic efforts to end the Middle East deadlock, as well as divert attention from Egypt's domestic ills.

FOR THE PRESIDENT ONLY

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CHINA-JAPAN

Peking's decision to invite Prime Minister Tanaka to China should be viewed as an open and official endorsement of Japanese defense arrangements as they now exist, according to Liao Cheng-chih, China's senior official on Sino-Japanese affairs. He told a Japanese newspaperman that the Japan-US Mutual Security Treaty and Japan's Self-Defense Force are "essential for the preservation of peace and security in the Far East." He added that the United States is reducing its presence in Asia and that Moscow constitutes the major threat to Asian stability.

This line follows that used by other Chinese officials, including Premier Chou En-lai, in recent weeks. The Chinese have also told visitors that the US military presence elsewhere in Asia--in Thailand and the Philippines, for example--does not trouble Peking.

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This relaxed attitude toward Japan's defense arrangements is a reversal of China's former position. Until last year, Peking's propaganda attacked Japan's "remilitarization" and railed against the US military presence in Japan. The Chinese now appear to be saying that, with the Indochina war drawing to a close, the United States and China have some mutuality of interest in the Far Eastern power balance.

FOR THE PRESIDENT ONLY

Japan's 1972-1969 General Elections for the House of Representatives

| | December 1972 | December 1969 |
|----------------------------|---------------|---------------|
| Liberal Democratic Party | 271 | 288 |
| Japan Socialist Party | 118 | 90 |
| Japan Communist Party | 38 | 14 |
| Komeito | 29 | 47 |
| Democratic Socialist Party | 19 | 31 |
| Minor Parties | 2 | 0 |
| Independents | 14* | 16 |
| Total | 491** | 486 |

* Some dozen of the independents are expected to affiliate with the Liberal Democrats.

** The House of Representatives was expanded to 491 members in 1970 with the addition of members from Okinawa.

FOR THE PRESIDENT ONLY

JAPAN

The Liberal Democratic Party retained a solid but reduced parliamentary majority in the elections on 10 December.

Major gains by the Communists and Socialists, however, reflect both voter dissatisfaction over the government's handling of domestic affairs and the erosion of the Liberal Democrats' rural base by rapid urbanization. The enlarged Communist and Socialist representation, combined with losses by the relatively moderate Komeito and Democratic Socialists, tends to polarize the Diet.

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Tanaka's new cabinet, to be formed at the end of the month, is not expected to make major changes in national policy. It is likely to include younger and more dynamic politicians, however, and these may be able to give the Liberal Democrats a more attractive image.

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

THAILAND

Several senior officials have informed US Embassy officers that the ruling National Executive Council expects to terminate its existence on 21 December and return to constitutional government.

The new constitutional framework will not significantly diminish the military's political control. The cabinet will incorporate much of the present council leadership, and civilian participation is likely to be minimal.

Ruling military leaders, who abolished parliament and took over the government in November 1971, have been promising a constitution for about eight months. Delay is attributed to disagreement over distribution of positions in the new structure and to the reluctance of the second-ranking Thai leader, General Praphat, to relinquish the powers available under martial law. Having strengthened his personal position during the past year, however, he apparently feels he can afford a resumption of constitutional government.

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

NOTES

USSR-China: We are skeptical of Western press reports from Moscow of a clash on the Kazakhstan-Sinkiang border last month.

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Moscow has usually been quick to publicize its case in disputes with China. In this instance, however, a Soviet Foreign Ministry spokesman has simply disclaimed any knowledge of the alleged clash. The Chinese have also denied the story.

Panama: Foreign Minister Tack has told US officials that under no condition will Panama back away from its efforts to have the UN Security Council meet in Panama in March. He stated that the meeting has nothing to do with the stalled treaty negotiations and that the US would not be harassed. Despite these assurances, any adverse developments in the treaty talks or in other bilateral Panamanian-US issues could easily cause General Torrijos to use the meeting to embarrass the US.

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The President's Daily Brief

13 December 1972

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THE PRESIDENT'S DAILY BRIEF

13 December 1972

PRINCIPAL DEVELOPMENTS

The principal development emerging from last week's NATO ministerial meetings was the expressed preference by the French, Italians, and the British that any force reductions in Europe be limited to Soviet and American troops. (Page 1)

Lao Communist negotiators in Vientiane have presented the government with a draft agreement primarily noteworthy for its specific timetable for implementation. (Page 2)

The Soviet Union has been trying since last October to influence Phnom Penh toward a political settlement of the Cambodian conflict and to a lesser extent has been doing the same thing in Laos. (Page 3)

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

NATO

The most important development to emerge from the NATO ministerial meetings last week was the expression of preference by the French, Italians, and the British that any force reductions in Europe be limited to Soviet and American troops.

The French argue that such an arrangement would affect Western European security the least, and the Italians agree. The British do not wish to be committed to any action that would make more difficult the eventual creation of a European defense force. The three allies would also like to stave off as long as they can defense cuts among the smaller NATO allies.

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FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

LAOS

Communist peace negotiators have returned to Vientiane and yesterday presented the government with a draft agreement. It calls for a cease-fire simultaneous with signature of the agreement. Within 30 days thereafter, a broadly based political consultative council would be created and a provisional government of national unity would be formed. Until a permanent coalition government was established after national elections, the two sides would continue to administer their respective zones. Vientiane would be a neutral zone open to all.

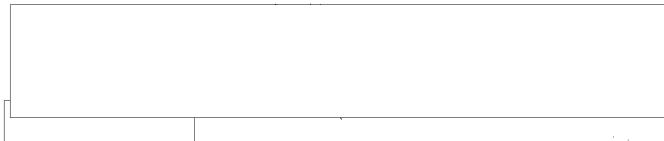
The cease-fire would be supervised by a joint Lao commission supported by the International Control Commission, using the 1962 Geneva Accords as its guide. All foreign military personnel and advisers would be withdrawn within 90 days after the agreement was signed. All future military assistance to either side would require prior approval of the new provisional government.

This draft is noteworthy primarily for the specific timetable it contains. In substance, it fleshes out previous proposals

and ignores [redacted] Vientiane's proposal simply to bring Communists into the cabinet of the present government.

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During yesterday's negotiating session, government representatives were not prepared to speak about the draft agreement.



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FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

USSR-INDOCHINA

Since late October, the Soviets have been attempting to influence Phnom Penh's attitude toward a political settlement of the Cambodian conflict and to a lesser extent, they have been doing the same in Laos.

In Phnom Penh, Soviet representatives appear to be trying to make sure that the Cambodians will continue to ignore the deposed Prince Sihanouk--who resides in China--and initiate direct contacts with the Khmer Communists instead. They are holding out prospects of peacetime Soviet aid to the present government and are fanning Cambodian fears of the Chinese.

Soviet diplomats in Asia appear to be afraid that the US and China could reach an understanding that would permit Sihanouk's eventual return to Phnom Penh. They also fear that North Vietnam might insist on Sihanouk's return, leaving the USSR in an isolated position.

In Laos, the Soviets have been content to support the Lao Communists and the North Vietnamese. They have held out hope of an early settlement and urged the government to negotiate seriously.

The Soviets do not appear to believe they need to interfere much in Laos. Early in December the Lao Government asked for Soviet assistance toward breaking the deadlock in the peace talks, but Moscow demurred.

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FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

NOTES

Philippines: President Marcos apparently believes he is now in a position to move further against opponents in the political establishment. He continues to describe the attack on his wife last week as part of a long-standing "rightist" conspiracy against his government. His allegations are directed primarily at the Lopez and Osmena families, both of which have long been powerful forces in the Philippines. A few of their members had been arrested before the attack on Mrs. Marcos. The President may believe that further selective detentions would help considerably to bring his more conservative opponents into line. Most arrests since the imposition of martial law in September have been directed against "leftist" elements.

Argentina: Juan Peron may announce, before his expected departure today, his selection to carry the Peronist banner in the elections next March. [redacted]

[redacted] the Peronists have tried [redacted] to agree on a candidate with either the military or the Radical Party. Should a last-minute accord not be reached, Peron could let his own nomination stand until the Supreme Court rules on the constitutionality of the residency requirement that now bars his candidacy. Peron, who is said to be traveling to Paraguay and Peru before going back to Madrid, is scheduled to return to Argentina before the elections are held.

25X1

Pakistan-Bangladesh: Students rioted in Lahore on 11 and 12 December and in Rawalpindi on the 11th to protest the government's proposal to recognize Bangladesh. The students, apparently inspired by a conservative religious party, met in defiance of a government ban on demonstrations. In clashes with police in Lahore one person may have been killed and 17 were reported to have been wounded. Rioting in Rawalpindi left 18 injured. If President Bhutto decides to press forward with recognition of Bangladesh, he will have to take into account the likelihood of more violent reaction--at least in the important Punjab Province.

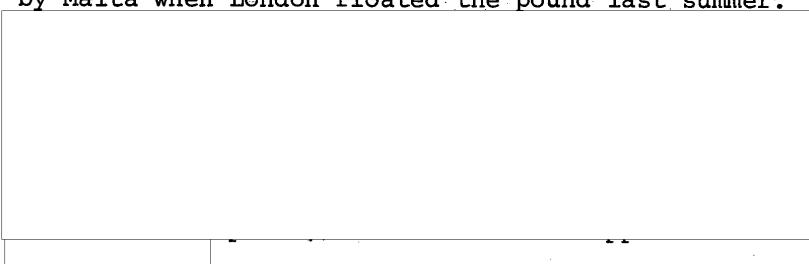
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FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

Malta: Prime Minister Mintoff has publicly raised the issue of the financial losses incurred by Malta when London floated the pound last summer.

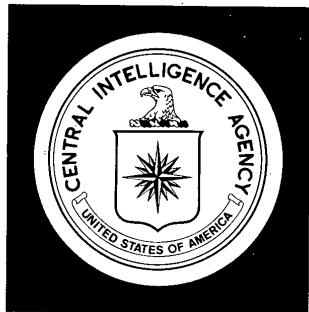
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The President's Daily Brief

14 December 1972

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THE PRESIDENT'S DAILY BRIEF

14 December 1972

PRINCIPAL DEVELOPMENTS

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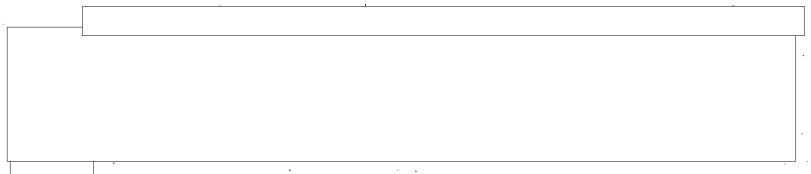
The Soviet party Central Committee seems to be preparing to convene on Saturday. (Page 2)

Japan appears to want to assume a larger role in postwar Indochina. (Page 3)

FOR THE PRESIDENT ONLY

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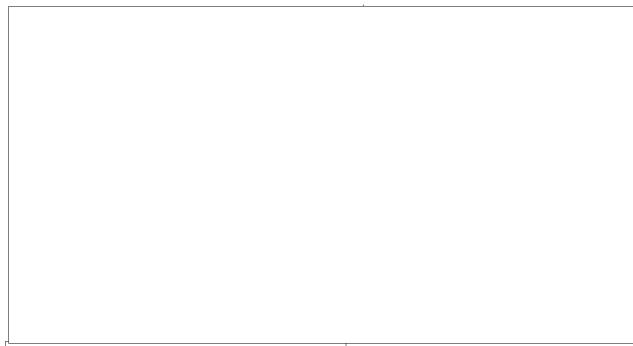
GREECE



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FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

USSR

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[redacted] the Central Committee will meet on 16 December.

A major item of business will be the approval of next year's economic plan and budget before they are formally adopted at the Supreme Soviet session that opens on the 18th. Despite the poor harvest, we do not expect major revisions in the 1973 plan or the five-year plan for 1971-75. Some tinkering is likely, however, such as a speedup in land reclamation programs and a more rigorous screening of new investment projects.

As is customary, party chief Brezhnev presumably will speak. We expect the Central Committee formally to relieve V. P. Mzhavanadze, retired Georgian party chief, of his candidate membership on the Politburo. A joint meeting of the Central Committee and the USSR and Russian Supreme Soviets will be held on the 21st to mark the Soviet Union's 50th anniversary.

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

JAPAN-VIETNAM

Despite several false starts, the Japanese Government is now looking for ways to play a more active role in postwar arrangements for Vietnam. In a recent press conference Prime Minister Tanaka maintained that settlement of the problems in the region could not be feasible without Japan's participation. Although Tanaka did not appear to have a detailed proposal in mind, he has suggested an Asian parley following a cease-fire to discuss political and economic reconstruction problems. The Japanese Government has also discussed publicly the possibility of sponsoring an Indochina reconstruction fund to grant direct assistance and long-term, low interest loans to North and South Vietnam, Laos, and Cambodia.

A consensus is developing in Japan in favor of a greater leadership role in Southeast Asia. Tokyo clearly feels under domestic pressure to play some role in postwar Vietnam political arrangements in order to establish influence in Indochina. In addition, the Japanese recognize that there is considerable potential for economic gain in a postwar reconstruction program.

South Vietnam has generally welcomed Japanese aid and presumably would be receptive to postwar Japanese involvement. Tokyo also has reason to believe that Hanoi wants Japanese aid in economic rehabilitation.

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

NOTES

USSR - North Vietnam: [redacted]

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USSR: [redacted]

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South Korea: President Pak will be re-elected next week by a collegial body called the National Council for Reunification. This new organization, composed of 2,359 deputies, will be popularly elected on Friday. Candidates have been handpicked by the government. The council will also serve as an unofficial upper house of parliament, and will in fact approve of Pak's list of deputies--one third of the new legislature--to be elected in February. Pak will be sworn in on 27 December, after which election of the other two thirds of the parliamentary deputies will be allowed to proceed.

Jordan: [redacted]

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The President's Daily Brief

15 December 1972

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THE PRESIDENT'S DAILY BRIEF

15 December 1972

PRINCIPAL DEVELOPMENTS

Fidel Castro has stated publicly that his willingness to negotiate with the US on hijacking does not signal a desire for reconciliation with Washington.
(Page 1)

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(Page 2)

25X1

Further information on the results of West Germany's national election last month points to some interesting trends in West German politics. *(Page 3)*

Somali President Siad apparently has survived the latest challenge to his position, but he nevertheless seems to have lost much of his independent decision-making power. *(Page 4)*

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

CUBA-US

Fidel Castro told a rally for visiting Chilean President Allende on Wednesday that air piracy is "a problem that concerns the entire international community," and for that reason Cuba is willing to negotiate with the US to find a solution. He cautioned, however, that these negotiations do not signal a desire for reconciliation with Washington.

Castro added that the conditions necessary for talks on a general improvement in relations with the US are the same as those outlined in his speech of 26 July. In that speech, Fidel demanded an end to the economic blockade, the return of Guantanamo naval base, and the cessation of exile raids. In the speech this week, however, he referred specifically only to the demand for an end of the blockade.

Castro's remarks were presumably based on a belief that time is on his side and that there is no need to compromise his revolutionary image by making concessions to the US. He undoubtedly is encouraged by recent successes in Cuba's efforts to normalize its ties with the nations of Latin America.

FOR THE PRESIDENT ONLY

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FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

WEST GERMANY

Further information on the results of the Bundestag election last month points to some interesting trends in West German politics.

The magnitude of the Social Democratic Party's victory was even greater than originally reported. The SPD not only supplanted the Christian Democratic Union as the largest single party, but also increased its share of the vote in all but one of the ten states. For the first time, the SPD received over 50 percent of the vote in North Rhine - Westphalia, where one third of all voters live. The party also won an astonishing 152 of the 248 directly elected seats--as compared to only 127 in the last previous election in 1969 and only 94 in the 1965 voting.

Analysis of the voting also indicates that several long-standing political axioms did not apply in this election. One had it that, the larger the turnout, the bigger would be the success of the CDU. The opposite occurred. Another, backed up by all pre-election polls, was that women would vote largely for the CDU. The SPD won more votes from women than did the opposition. A third was that Roman Catholics would not support the Social Democrats, but the latter scored major inroads in predominantly Catholic areas. It has also been taken for granted that pocketbook issues decide elections, but such issues were apparently overshadowed by foreign policy concerns.

While these results make the SPD's long-run prospects look bright indeed, it is nonetheless true that, in Willy Brandt, the party had a far more attractive leader than did the opposition. The personal factor thus accounts for some of these gains.

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

NOTES

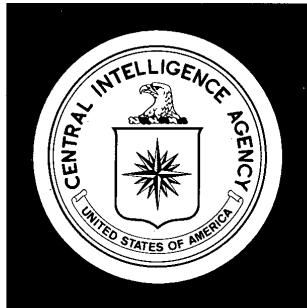
Somalia: The government-controlled press and radio are again giving prominent coverage to President Siad, and he apparently has survived the latest challenge to his position. Last week, amid reports of serious discord between Siad and other members of the ruling council, Vice-President Samantar and other council members had eclipsed Siad in the media. Despite his current comeback, Siad seems to have lost much of the independent decision-making power he had managed to wrest from the council in recent months, and we expect the infighting to continue.

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The President's Daily Brief

16 December 1972

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THE PRESIDENT'S DAILY BRIEF

16 December 1972

PRINCIPAL DEVELOPMENTS

We have reports that the Communists plan to keep up sapper raids around Saigon for several weeks and to mount infantry attacks against facilities to the northwest. (Page 1) Meanwhile President Thieu's Democracy Party, intended to be his main political vehicle against the Communists, is about to make its public bow. (Page 2)

In Cambodia, we have some evidence that the Lon Nol government is prepared to open political discussions with the Khmer Communists. One unproductive contact at the provincial level reportedly has already been made. (Page 3)

A high Soviet official describes relations with Egypt as normal "but without kisses." On Page 4 we appraise the current state of affairs between Moscow and Cairo.

Pakistan

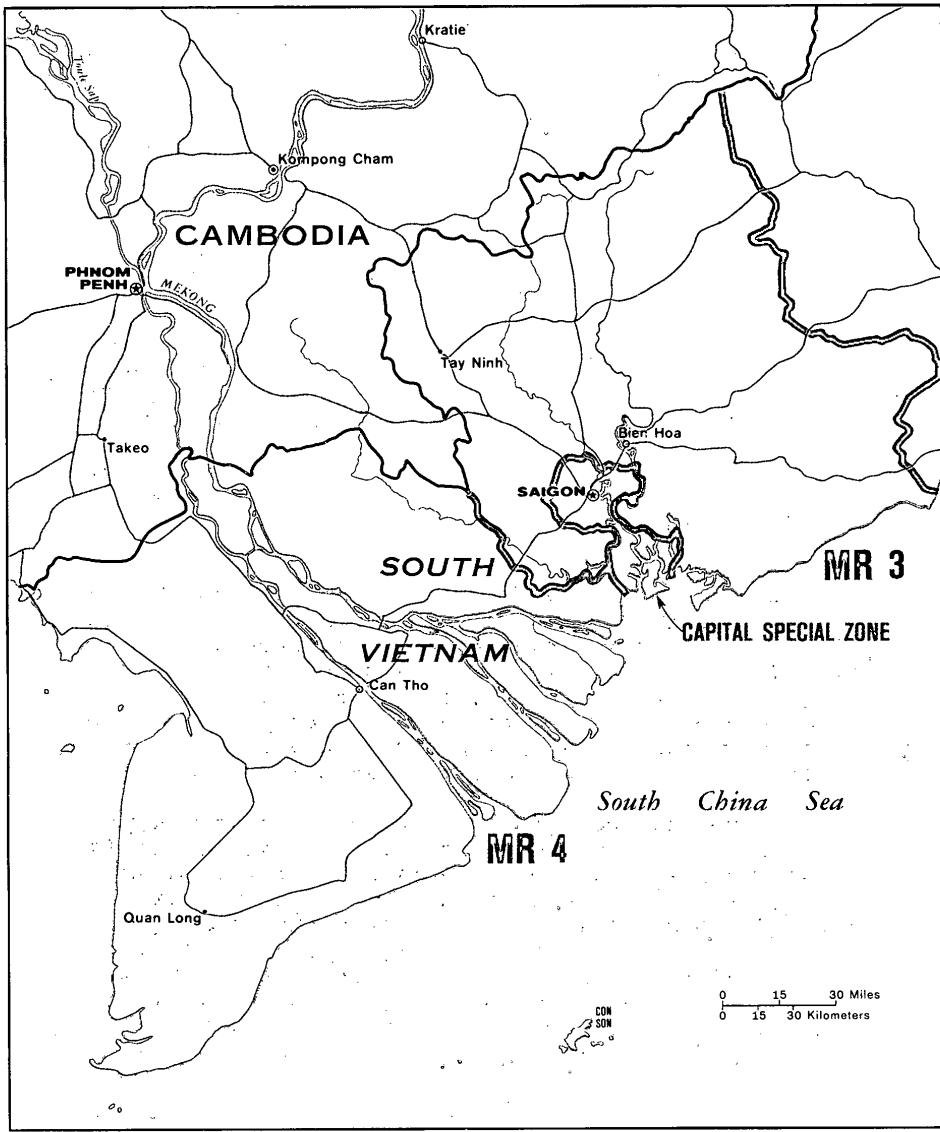
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Ugandan President Amin is scheduled to tell the local British community on Monday of a "drastic decision" concerning the British presence. (Page 6)

FOR THE PRESIDENT ONLY



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FOR THE PRESIDENT ONLY

SOUTH VIETNAM

[redacted] Commu-
nists plan to continue low-cost sapper raids against munitions storage facilities around Saigon for several weeks. In addition, infantry forces will attack important government facilities and population centers northwest of the capital. Tay Ninh City, the main administrative center in this area, is a primary target. The Communists hope to take the city and use it as a political headquarters.

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Communist military units in this region are not considered strong enough to inflict serious losses on the government over the next few weeks. At best, they are capable of continuing artillery fire and sapper raids against a wide variety of targets, and they could possibly overrun some smaller population centers.

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

SOUTH VIETNAM

President Thieu's Democracy Party, intended to be his main political vehicle for countering the Communists, is about to make its public bow. Senator Nguyen Van Ngai, one of the party's chief organizers, has informed US Embassy officers that province-level chapters will begin holding inaugural ceremonies this weekend. Such ceremonies will continue until February, when a national party convention will be held.

The Democracy Party seems designed more to strengthen Thieu's position with groups already sympathetic to the government than to broaden his popular support. Recruiters have been active for more than a year, chiefly among civilian officials and military officers throughout the country. Although many high-level military officers have joined, several senior commanders reportedly have refused because they believe that the military should not be oriented toward any party.

Leaders of some of the country's established parties are concerned over the inroads that Thieu's party is making among their own supporters. Many of these politicians probably would be receptive to cooperating with or even merging into the Democracy Party if Thieu would give them a significant role. Thus far, however, the President and his lieutenants have preferred to concentrate upon assembling a relatively disciplined following of officials and army officers.

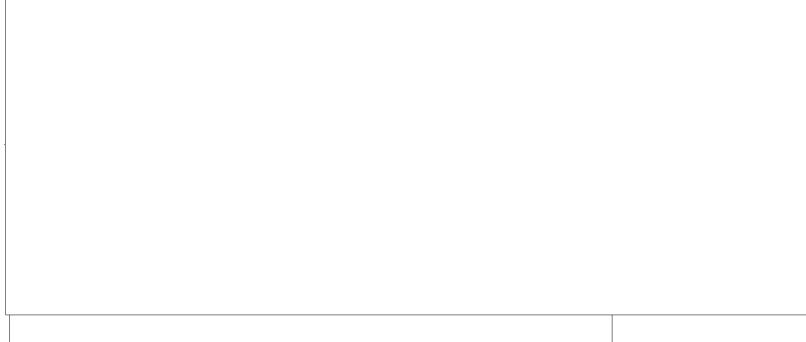
FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

CAMBODIA

We have some evidence that the Lon Nol government is now willing to open political discussions with the Khmer Communists. Its previous approach to the Communists was confined to a largely unsuccessful rallier program.

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Meanwhile the government has made a first effort to contact the Khmer Communists above the local level. A French expatriate within the Cambodian Government has told Ambassador Swank that government emissaries met with anti-Sihanouk Khmer Communist representatives in the enemy-held province of Kratie in the northeast. The meeting was unproductive.

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This initial result is in keeping with the frequent insistence by dissident leaders that no form of political compromise with the Lon Nol government is possible.



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FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

USSR-EGYPT

Yevgeniy Pyrlin, the deputy chief of the Soviet Foreign Ministry's Near East Division, recently described relations with Egypt as normal and business-like "but without kisses." In a conversation with a US diplomat, he said that Moscow had restated its policy in clear terms during Premier Sidqi's visit in October, and that the Egyptians were now convinced that Moscow is firmly opposed to providing the sophisticated weaponry Cairo had requested. The Sidqi visit "solved all problems," according to Pyrlin, thus obviating the need for a summit meeting.

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From the Egyptian point of view, the Sidqi visit did not by any means "solve all problems." We expect that Cairo will continue to press for more military aid and maintain a suspicious attitude toward Soviet professions of diplomatic support.

While Pyrlin would naturally want to put the best possible face on Soviet-Egyptian relations, the USSR does in fact find some advantages in the current situation. Its role in Egypt has greatly diminished, but so have its costs. In addition, Egyptian ports are still available, and Moscow's relations elsewhere in the Middle East have not been impaired.

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

PAKISTAN



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Bhutto's relations with the military are generally sound, but at a time of growing civil disorder and political opposition he may feel it prudent to root out even small pockets of discontent. [redacted]

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FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

UGANDA

President Amin has scheduled a meeting on Monday with 200 representatives of the 3,500-member British community in Uganda to deliver what he terms his "drastic decision" on the British presence.

[redacted] he will order the [redacted]
expulsion of all British merchants, teachers, and lawyers by Christmas. The British appear resigned to at least some diminution of their activity, and many families are preparing to depart.

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Amin's steady stream of anti-British statements and his expulsion of the British High Commissioner have already produced great pessimism in London over the chances of salvaging much during Amin's rule. As a result, London recently canceled a \$24-million loan and stopped paying supplements to the salaries of British technicians under contract to the Ugandan Government.

Amin's announcement, even if it falls short of a total expulsion of the British, could prompt some elements of his undisciplined army to make difficulties for Britons and other white residents. If Amin breaks completely with the UK, he will soon need new scapegoats and could easily turn on the 700-member American community. Despite past diatribes against the US, however, he has had unusually kind words for the US lately.

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NOTE

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The President's Daily Brief

18 December 1972

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THE PRESIDENT'S DAILY BRIEF

18 December 1972

PRINCIPAL DEVELOPMENTS

Juan Peron's candidate for the Argentinian presidency is opposed by many Peronistas and the armed forces. (Page 1)

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[] USSR [] Chile []
(Page 2) 25X1

Prime Minister Papadopoulos has eased the state of martial law in Greece. (Page 2)

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

ARGENTINA

Hector Campora has been nominated--at Juan Peron's insistence--to be the Peronist front's presidential candidate.

Campora's nomination has set off political strife in the Peronist camp and is likely to meet strong opposition from Argentina's military rulers as well. Campora is widely regarded by both sides as a man of limited ability whose main qualification for office is his loyalty to Peron. He is not acceptable to the powerful Peronist labor organization or to radical youth; both groups staged protest demonstrations against Campora's nomination that had to be broken up by the police.

The military would view Campora's election as being as objectionable as putting Peron himself back in power. The officer corps may well put pressure on President Lanusse to disqualify Campora from the race on the grounds that the candidate had left the country after 25 August, the date set for all candidates for president to be residing in Argentina.

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The controversy over Campora's nomination could lead Peron to shift his support to another candidate. [redacted]

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FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

NOTES

USSR-Chile: [redacted]

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Greece: In his annual state-of-the-nation address on Saturday Prime Minister Papadopoulos announced that martial law will be ended in Thessalonica--Greece's second largest city--leaving only the Athens area still under military law. Papadopoulos also promised to present the regime's decisions on future political developments sometime in 1973, but added that these decisions will not necessarily affect the suspension of constitutional provisions concerning elections and parliamentary government.

USSR: The plenum of the party central committee we expected to take place last Saturday was not held. We will be watching the proceedings of the Supreme Soviet, which is still scheduled to open today, for clues to the problems in the central committee that might have led to the postponement.

Romania: Warsaw Pact members are censuring Romania for its attitude during the preparatory talks leading to a Conference on Security and Cooperation in Europe. During the past week criticism of Romania's position has appeared in a number of East European newspapers and Polish party chief Gierek canceled a visit to Bucharest. At the same time, pact diplomats have been boycotting official Romanian functions. Last Friday, the Bulgarian Foreign Minister kept his appointment for an official visit to Bucharest, but he minced no words in criticizing the Romanians for breaking ranks with the Warsaw Pact during the Helsinki talks. There is no sign that the Romanians intend to modify their positions and we expect the pact states to increase political pressure on the Ceausescu government.

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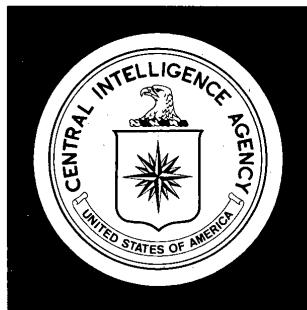
FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

Uganda-UK: President Amin today announced the take-over of all foreign-owned tea plantations and eight of Uganda's largest businesses. Twelve tea estates and seven of the businesses are British-owned; one is a US company. In addition, some 3,000 British aid personnel must now decide whether to work in Uganda for local wages or leave the country by the end of the month. Those who wish to stay will be screened to weed out potential "spies" or hostile "propagandists."

FOR THE PRESIDENT ONLY

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The President's Daily Brief

19 December 1972

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THE PRESIDENT'S DAILY BRIEF

19 December 1972

PRINCIPAL DEVELOPMENTS

25X1

(Page 1)

Initial Soviet press reaction to Dr. Kissinger's statement on the Paris peace talks has emphasized the positive. Thus far, the Chinese have handled the latest difficulties in routine fashion. (Page 2)

Truong Chinh, the second-ranking man in the North Vietnamese Politburo, is leading a delegation to Moscow--a task usually handled by First Secretary Le Duan. (Page 3)

The USSR Central Committee plenum that had been expected on Saturday was held yesterday. (Page 4) At the opening session of the Supreme Soviet also held yesterday, the USSR disclosed that because of the disappointing economic performance this year, major plan goals for 1973 will have to be scaled down. (Page 5)

China conducted two launch rehearsals at the Shuang-cheng-tzu missile test center late last week, apparently for a test launch of China's large two-stage ICBM. (Page 7)

A second round of purges appears to be under way in Serbia as Yugoslav President Tito continues to tighten his control. (Page 7)

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

SOUTH VIETNAM



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FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

USSR-CHINA-VIETNAM

Initial Soviet press reaction to Dr. Kissinger's statement on the Paris peace talks has emphasized the positive. The Soviets have accused the US of seeking to delay a Vietnam agreement, but reported Dr. Kissinger's remarks that the prospects for reaching an agreement are better now than in October, that contacts with the North Vietnamese would continue, and that the US would then be able to decide whether and when to meet with the North Vietnamese again. The Soviets have also noted North Vietnam's alleged willingness to continue the negotiations and to sign the agreement, the "earlier the better." All of these reactions preceded the lifting of the bombing restrictions above the 20th parallel, of which TASS took brief note yesterday.

Soviet dismay over the lack of progress toward a settlement comes through more clearly in the TASS description of Le Duc Tho's meeting on 16 December with Politburo member Kirilenko. Kirilenko reportedly expressed confidence that "the forces that come out against a peaceful settlement will not be allowed to negate the results achieved thus far."

The North Vietnamese News Agency account of the meeting did not pick up these remarks.

The Chinese have handled the latest difficulties in the negotiations in routine fashion so far. According to a Chinese press account of Premier Chou En-lai's meeting with Le Duc Tho, Chou expressed support for Hanoi's "correct position" in the negotiations, said that a settlement should be concluded at an early date, and pledged Chinese support in broad terms until the war ends--positions that Chou and other Chinese spokesmen have articulated several times in recent months.

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

NORTH VIETNAM

Truong Chinh, the second-ranking man in the Politburo, left Hanoi on 16 December at the head of a delegation to Moscow for ceremonies marking the 50th anniversary of the Soviet Union's founding. Hoang Van Hoan, another Politburo figure, is a member of the delegation. During the customary stopover in Peking, the members of the delegation saw Premier Chou En-lai, and briefed some members of the diplomatic community.

Truong Chinh's appearance could suggest some increase in his status relative to First Secretary Le Duan, who has usually handled major party representational functions in Moscow himself. On the other hand, the North Vietnamese may have decided that Le Duan was needed at home in this critical period. With Deputy Premier Le Thanh Nghi now in Paris, three of the ten Politburo members normally resident in Hanoi are out of the country.

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

USSR

The meeting of the Central Committee that had been expected on Saturday was held yesterday. The plenum approved the budget and a revised economic plan for 1973, and, as expected, dropped V. P. Mzhavanadze as a candidate member of the Politburo. The plenum also named Vladimir I. Dolgikh to the party secretariat.

Mzhavanadze's retirement in September as Georgian party chief--accompanied by a publicized crackdown on corruption and mismanagement in the republic--presaged his departure from the Politburo.

We expect that Dolgikh, a 48-year old industrial manager with broad experience in developing industry in Siberia, will assume responsibility for heavy industry. Dolgikh does not appear to have close ties to any senior leaders in Moscow.

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

USSR

Gosplan Chairman Baibakov announced at the opening session of the Supreme Soviet yesterday that national income in the USSR this year grew only four percent--the lowest increase since 1963.

This figure reflects the failure to fulfill the industrial goal and the large decline in agricultural output. The primary causes of the industrial slowdown are the admitted failure to introduce new production capacity, exemplified by unfulfilled gas and oil goals, and the slow growth in the food industry, a direct result of the poor harvest.

Baibakov disclosed that as a consequence of the poor economic performance this year, major plan goals for 1973 will have to be scaled down. Industrial production, for example, is scheduled to grow at only 5.8 percent compared with the 7.8 percent previously planned. Particularly hard hit was the so-called group B industries--largely consumer goods--trimmed from 8.1 percent to 4.5 percent. The agricultural sector, however, remains a high priority area and will receive as much investment as originally planned.

These large agricultural investments will not, however, result in immediate benefits to the consumer. Although the USSR has purchased enough grain to make up for its 1972 shortfall, shortages of other farm products and a reduced livestock inventory will depress the 1973 growth in supplies of consumer goods. In fact, Baibakov could only promise that "in the main" supplies of food and other consumer goods will be sufficient.

* * *

Finance Minister Garbuzov reported to the Supreme Soviet session that the planned Soviet defense budget of 17.9 billion rubles will remain unchanged for the third year in a row.

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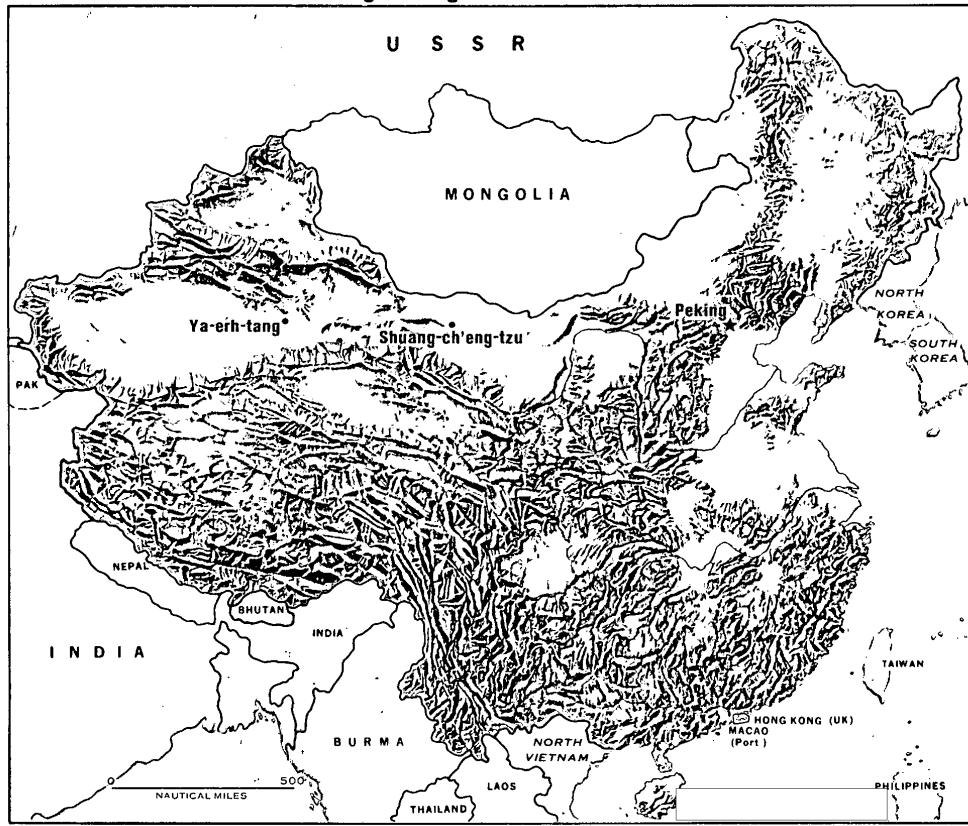
FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

The announcement of a stable defense budget is presumably dictated by Moscow's desire to project an image of moderation and detente consistent with the spirit of the Strategic Arms Limitation Agreement. The published figure, however, excludes most of the funds for military research and development, the most rapidly growing element in the Soviet defense effort. This is largely financed under the heading of science expenditures. Total science allocations are slated to increase from 14.4 billion rubles planned for 1972 to 15.5 billion rubles in 1973, a rise of seven percent.

FOR THE PRESIDENT ONLY

Launch Rehearsals at Shuang-ch'eng-tzu



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FOR THE PRESIDENT ONLY

NOTES

China: China conducted two launch rehearsals at the Shuang-cheng-tzu missile test center late last week, apparently for a test launch of China's large two-stage ICBM.

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[redacted] Although the first test was successful, the second, in August, was a partial failure. The missile landed roughly 400 nautical miles from the intended impact area. Both tests were to reduced ranges. Another satellite launch is an alternate, but less likely, possibility.

Yugoslavia: A second round of purges appears to be under way in Serbia as President Tito continues to tighten his control. Last Friday a Serb party plenum announced that enough pro-Tito appointees had been added to the party secretariat to establish a majority over the followers of former party boss Nikezic, who was ousted last October. Yesterday it was announced that a Nikezic appointee had resigned from the party leadership in the subordinate Vojvodina party organization. He may well be followed by the Kosovo regional boss, who also had close ties with Nikezic.

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20 December 1972

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THE PRESIDENT'S DAILY BRIEF

20 December 1972

PRINCIPAL DEVELOPMENTS

Hanoi's propaganda seems designed to ensure that Washington, rather than Saigon, is blamed for the impasse in the peace talks. A Viet Cong editorial, meanwhile, has obliquely acknowledged the presence in South Vietnam of troops from the North. (Page 1)

Moscow's first reaction to the resumption of full-scale bombing of North Vietnam is milder than that of last April. (Page 2)

The celebration of the USSR's 50th anniversary this week may provide the occasion for a Warsaw Pact summit meeting dealing with East-West negotiations. (Page 3)

Both Moscow's ambassador in Peking and its chief negotiator on Sino-Soviet border talks have returned to Moscow. (Page 4)

Malta's Prime Minister Mintoff has reacted sharply to Britain's rejection of his demand for more money under the base agreement of last March. (Page 5)

General Prats' assumption of an active political role in Chile is dismayng opposition and government politicians alike. (Page 6)

A severe rice shortage in Indonesia is causing the government many headaches. Its ramifications could weaken President Suharto's position in the long run. (Page 7)

At Annex, we examine the growing intensity of the Sino-Soviet dispute, in which the shrill Chinese propaganda offensive has placed the Soviets on the defensive.

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

VIETNAM

Hanoi's denunciation of President Thieu's proposals of 12 December and its insistence that Thieu is a US puppet--as detailed in a Commentator article in the party daily on Monday--appear designed to make sure that Washington, rather than Saigon, is blamed for the stalled peace talks. Hanoi also seems to be trying to prevent any gain in Thieu's stature for his independent stance on negotiations.

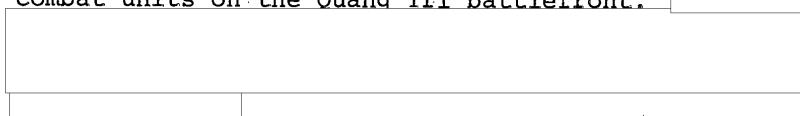
On the same day the Viet Cong's Liberation News Agency published an editorial defending Hanoi's refusal to agree explicitly to withdrawal of North Vietnamese troops from the South. Obliquely acknowledging the presence of personnel from the North, it claimed that most of them are "fighters and sons" of the Vietnamese who had regrouped to the North under the 1954 Geneva Agreements.

This is the first known instance of such a propaganda claim, implying that the northerners are really southerners fighting in their "own homeland."

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The Communists are continuing to rotate major combat units on the Quang Tri battlefield.

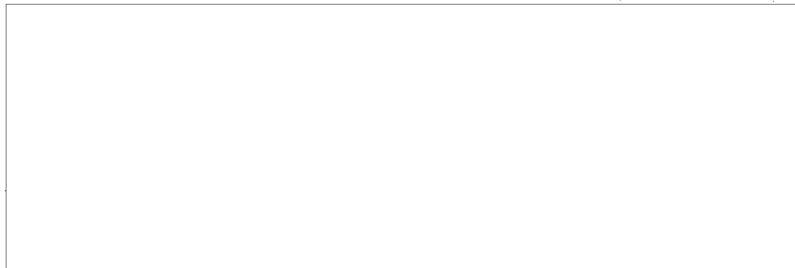


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FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

USSR-VIETNAM

Moscow has reacted to the resumption of full-scale bombing of North Vietnam with a relatively temperate TASS statement condemning the action and warning only that "governing circles in the USSR" are giving "most serious consideration" to the situation created by the US actions. The statement contrasts US deeds with the "numerous protestations of US leaders" about their desire to seek a mutually acceptable solution for "remaining uncoordinated problems." It adds that the resolution of the Vietnam problem will likely be further complicated by US acts.

The statement is not the last word on this score, but it is notably milder than that issued when the US resumed large-scale bombing last April. It contains no pledge of continuing support for the North Vietnamese and no threat that US actions in Indochina would complicate "the international situation as a whole," as was charged last spring.

The only official Chinese statement issued since the bombing has been a routine congratulatory message to the Viet Cong's Liberation Front on its anniversary. It makes no mention of the bombing.

FOR THE PRESIDENT ONLY

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USSR

The celebration of the USSR's 50th anniversary this week will bring a number of foreign government and Communist party leaders and representatives to Moscow, but will offer little occasion for serious discussions, except perhaps among the East Europeans. General Secretary Brezhnev apparently will make a major speech. A Warsaw Pact summit meeting is likely during the week, and this would provide the opportunity to discuss the preparatory talks for the Conference on Security and Cooperation in Europe and to consider a Pact position on force reductions.

The Romanians are working hard to frustrate a common Pact line on CSCE matters and, conversely, to ensure their own involvement in force reduction talks. Both issues are likely to come up in Moscow this week.

FOR THE PRESIDENT ONLY

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USSR-CHINA

Both Moscow's ambassador in Peking and its chief negotiator at the Sino-Soviet border talks flew back to Moscow on 16 December.

Presumably they returned for the plenum of the Central Committee on Monday. Ambassador Tolstikov is a member of the Committee, and Deputy Foreign Minister Ilychev, the chief negotiator, will be available to brief Soviet leaders on the frontier talks. Last year the two men came home shortly before the plenum, apparently for the same reason--and Ilychev delayed his return to China for four months.

This year the Soviets are even more concerned about the Chinese. They are clearly anxious to find some way to blunt the wide-ranging Chinese political offensive against them that has been gathering steam in recent months. At Annex, we examine Peking's recent tactics and the defensive reactions they have brought from Moscow.

FOR THE PRESIDENT ONLY

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MALTA

Prime Minister Mintoff has reacted sharply to a letter from Prime Minister Heath rejecting his demand for compensation for the losses caused by London's floating of the pound. Heath said he expected all parties to the base agreement of last March (including other NATO countries) to observe the agreement in letter and in spirit.

Mintoff has told the US, West German, and Italian ambassadors that he interprets Heath's message as a threat to use force to maintain the British military presence on Malta after 31 December with the support of the allies. He says that unless the allies dissociate themselves from Heath's position "within 24 hours" he will raise the issue in the UN Security Council.

In many ways this clash appears to be a re-enactment of the end-of-year drama of 1971. This time, however, the British are even less inclined to seek a compromise, and they are backed by all the European NATO allies except Italy and Belgium.

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

CHILE

General Prats' assumption of an active political role is dismayng opposition and government politicians alike.

Prats showed no hesitation in assuming responsibility as chief executive when President Allende left on 30 November for a two-week trip, although he had been interior minister only a little over three weeks.

when he met with Popular Unity (UP) party leaders early this month, he left no doubt as to who was running Chile in Allende's absence. He warned that the armed forces would tolerate neither reprisals against government opponents nor efforts to deny the opposition a political forum in the press or elsewhere. Prats also expressed concern over the irresponsible behavior by labor members of the UP parties, and said he meant to establish direct contact with workers himself.

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[redacted] the UP leaders-- particularly the Communists--expressed alarm over the implications of his aggressive behavior in the usually pro forma role of vice-president. They fear that he intends to enlarge the role of the armed forces in directing the country.

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Opposition parties criticize other actions by Prats as partial toward the UP. On 15 December, Christian Democratic Party President Fuentealba accused Prats of a whole litany of misdeeds. The conservative National Party started criticizing Prats' conduct even earlier, following reports that Prats believes Chilean industrialists are feeding leftist extremism by trying to retain all their old privileges.

Prats apparently believes that only by expanding military influence in the government can he restore political calm for the elections next March. It is increasingly apparent that he relishes his new role, however, and he may harbor ambitions to become president himself.

FOR THE PRESIDENT ONLY

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INDONESIA

A severe rice shortage, expected to persist for several months, has considerably embarrassed the government. The shortage has led to student protests in several cities, opposition allegations of corruption in the rice agency, wide press coverage of anti-government statements, and charges that manipulation by indigenous Chinese businessmen is the root cause of the rice shortage.

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Although the rice problem and its ramifications are not likely to create immediate political difficulties, they could weaken Suharto's position over the longer term.

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FOR THE PRESIDENT ONLY

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NOTES

China: A freight car shortage has delayed some shipments of foodstuffs to North Vietnam. The shortages have been reported in various parts of China since the middle of the year, apparently because the freight car fleet is not growing rapidly enough to keep up with the general demand for rail services.

[redacted] 25X1

Peru-Cuba: A two-week visit to Cuba by a Peruvian military delegation could presage closer relations between the two countries, which renewed diplomatic ties last July. The 30 officers from all services, including prime minister - designate Mercado, were highly impressed with the quality of the Soviet weapons in the Cuban inventory. This may further incline Peru to buy Soviet arms at a time when the recent seizure of a US tuna boat has further dimmed the prospects for restoring US credits for military sales.

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SINO-SOVIET RELATIONS: A NEW SHRILLNESS

The intensity of the Sino-Soviet dispute has increased considerably over the past two months. The Chinese, who have been on the diplomatic and propaganda offensive throughout the period, have used a variety of means to press their case--hard-hitting speeches in the UN, authoritative People's Daily commentaries, comments to visiting delegations, stopover visits by Deputy Foreign Minister Chiao Kuan-hua in London, Paris, and Bucharest, and an economic mission to Eastern Europe. The immediate goals have been to impede any further movement toward detente between Moscow and the nations of Western Europe, to nip in the bud any improvement in relations between Moscow and Tokyo, and in general to project the image of Peking as a rational and moderate player in the global arena.

The Soviets, clearly on the defensive, are worried by the scope and vehemence of Chinese attacks and have responded with propaganda counter-attacks. The most authoritative of these was a speech by General Secretary Brezhnev on 30 November in which he was more outspoken in condemning Peking than he has been since the border talks began more than three years ago.

Europe

In Europe Peking has warned of the dangers of both a Conference on Security and Cooperation in Europe and negotiations on military reductions. The Chinese see these as Soviet ploys aimed at reducing pressure in the West in order to free Soviet military and diplomatic energy for use against China. They have missed no occasion to sow seeds of doubt about Soviet intentions by underlining Moscow's past use of military force and insisting that Moscow simply cannot be trusted. Chinese spokesmen have also argued that a mutual reduction of US and Soviet forces would give Moscow a strategic edge because US forces could not return to Europe quickly enough to meet a Soviet conventional attack. They have even made it known that they approve of Europe's continued reliance on the US nuclear umbrella and favor a strong NATO.

Moscow is clearly concerned over these Chinese attempts to frustrate their initiatives in Western Europe. The Soviets were obviously annoyed at Chiao's European junket. The USSR lashed out at the UK following British Foreign Secretary Douglas-Home's visit to Peking and published a barrage of propaganda attacks refuting Chinese allegations about Moscow's motives in pushing its detente schemes.

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FOR THE PRESIDENT ONLY

Japan

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the Chinese have warned that Moscow is the primary threat to security in Asia. Peking has gone out of its way to say that neither Tokyo's close military ties to Washington nor the continued development of the Japanese self-defense force are obstacles to further improvement in Sino-Japanese relations. China has offered support for a permanent UN Security Council seat for Japan and endorsed Japan's territorial claims to the Soviet-held islands northeast of Hokkaido.

Most importantly, Peking has moved toward economic policies which will help expand the already substantial Sino-Japanese trade. Although the USSR is a far more attractive trading partner for Japan, at least in the short run, Peking is making a concerted effort to compete by indicating a willingness to accept long-term credits to finance the import of new technology from Japan, as well as to enter into long-term contracts to supply Japan with raw materials, including petroleum.

Support for elevating Japan's UN status poses no problem for Moscow, but Peking's open support for Japanese claims to the northern islands complicates that difficulty for the USSR. The Japanese have made return of the islands the first condition for improvement in Soviet-Japanese relations, and the Soviets have been acutely sensitive to any intimation that the Japanese might try to use improved relations with Peking to nudge the USSR into becoming more accommodating on the territorial issue.

Moscow is increasingly unhappy with the slow pace of negotiations on Japanese participation in joint projects to exploit natural resources in Siberia. There is evidence that the Soviets suspect China may be partly responsible for Tokyo's reluctance.

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Chinese Chances

China may not expect any spectacular gains from these maneuvers, but it is intent on frustrating Moscow's diplomacy as much as possible. Prospects are brighter in Asia than in Europe. Soviet-Japanese exchanges have not gone well, whereas

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Sino-Japanese negotiations are proceeding smoothly. Moreover, rapprochement with Peking has been a popular political issue in Japan, while Moscow has no similar domestic wellspring to tap. Tanaka enhanced his domestic popularity by moving quickly to normalize relations with China; he is certainly incurring no domestic liabilities by not resolving Japan's differences with the USSR.

In Europe, however, the Chinese have considerably less leverage. While Peking has succeeded in normalizing relations with all the major states of Western Europe, Moscow's proximity and its military and economic strength give the USSR a much higher priority in the minds of European decision makers. Moreover, despite Peking's efforts to revive the specters of Hungary and Czechoslovakia, West European leaders increasingly view Moscow as an essentially rational actor on the European stage. In this context, Peking's warnings about CSCE and force reductions are not likely to impede movement toward their realization. The Chinese, realizing this, have been careful not to push their position so far as to alienate the West Europeans.

Other Issues

While in recent months both sides have given highest priority to their rivalry in Europe and Japan, contention on other issues continues. In the UN, the Chinese have vehemently opposed almost everything the Soviets have favored, including Soviet disarmament proposals and the admission to the UN of Bangladesh. In Korea, the Chinese have scored points by offering early and continued support to Pyongyang's new moderate approach to the South. In the Middle East, the Chinese have sought propaganda mileage from the ouster of Soviet forces from Egypt, and in Africa the traditional rivalry continues unabated.

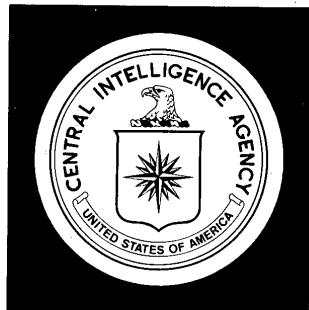
In Southeast Asia, the situation is more complex. On the question of peace in Vietnam, Moscow and Peking find themselves in basic agreement, and both have urged Hanoi to reach a settlement as quickly as possible. But even this convergence of views reflects a basic rivalry in still another arena--the desire of each power to court and use Washington in its contest with the other. In other parts of Southeast Asia, primarily in Cambodia, Chinese and Soviet interests fundamentally diverge, and the Soviets have recently renewed their efforts to bring about a settlement there which would exclude Prince Sihanouk, who has the backing of Peking.

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FOR THE PRESIDENT ONLY

Taken together, all of these actions suggest that the rivalry which has characterized Sino-Soviet relations now for over a decade will certainly continue, altering its focus and emphasis only to the extent that new developments alter the patterns of the global system within which Moscow and Peking operate. That this rivalry is kept within definite limits, however, is most clearly demonstrated by the fact that Sino-Soviet trade continues and has even expanded over the past year. Moscow has been willing to sell transport aircraft to China. Though deadlocked, neither side has moved to break off the border talks, and the regular annual meeting of Soviet and Chinese navigation authorities from the disputed river areas is scheduled to begin next month.

Top Secret



The President's Daily Brief

21 December 1972

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THE PRESIDENT'S DAILY BRIEF

21 December 1972

PRINCIPAL DEVELOPMENTS

The reaction of both China and the Soviet Union to the impasse in negotiations and renewed US bombing of North Vietnam continues to be restrained.
(Page 1)

The Lao Government continues successful operations in the south while in the north, combat remains at a low level as the Communists prepare for an assault on Bouam Long. *(Page 2)*

Pakistan

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(Page 3)

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(Page 5)

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Weather in the USSR is causing concern over prospects for the winter grain harvest. *(Page 5)*

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

CHINA-USSR

The reaction of both China and the Soviet Union to the impasse in negotiations and renewed US bombing of North Vietnam continues to be restrained.

A Chinese Foreign Ministry statement issued on 20 December is similar in tone and substance to the line taken since October. It says that US attempts to revise basic portions of the October agreement have caused delays in a final accord, and it maintains that the bombing creates a new "obstacle" to a settlement. Peking does not express explicit support for North Vietnamese terms for agreement nor does it pledge increased Chinese political and military support for Hanoi, even though a North Vietnamese Foreign Ministry statement on the 19th had requested more assistance. The statement does assert that the US "must" stop its military activity in both Vietnams and "speedily" sign the agreement drafted in October to bring the war to an end.

All things considered, the Foreign Ministry's pronouncement seems to contain little more than the minimum that Peking can say.

Soviet media continue to give extensive but relatively low-key treatment to Vietnam and have not digressed from the generally temperate TASS statement issued on 19 December [redacted]

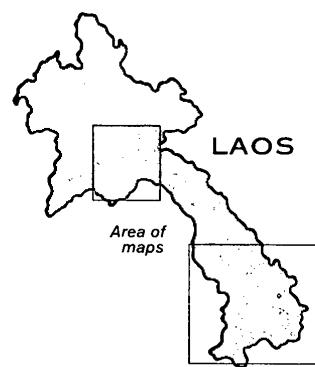
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[redacted] 25X1

A note delivered to the US Embassy yesterday protesting damage to a Soviet ship in Haiphong, was brief, pro forma, and apparently intended mainly for the record. There was no suggestion that any Soviet casualties had occurred, [redacted]

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FOR THE PRESIDENT ONLY



- Government-held location
- Communist-held location

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MILES



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LAOS

The government continues successful operations in the south. Government battalions are expanding their control around Paksong on the Bolovens Plateau and are pushing farther east beyond Muong Phalane in the central panhandle. North Vietnamese units in both areas are suffering from localized supply shortages and personnel losses.

Enemy replacements and materiel are on their way to Communist units in southern Laos. Several weeks of reorganizing and refitting will be necessary, however, before the Communists will be ready for new offensive operations.

In the north, combat remains at a low level as the Communists continue preparations for an assault on Bouam Long.

Bouam Long, which withstood Communist sieges in 1970 and 1971, has often been used by General Vang Pao as a staging area for operations against Communist supply lines north of the Plaine des Jarres.

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PAKISTAN



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NOTES

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USSR-Cuba:

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USSR: The weather is causing concern over prospects for next year's harvest of winter grains. Because of the autumn drought, sowing in some areas was as much as a month behind schedule, thus increasing the susceptibility of the plants to winter-kill. A sudden cold wave in European Russia and the absence of snow cover for the young plants now has endangered the crop. Moreover, the total area planted last fall was the smallest in the last two decades. Last year a cold spell in January was the main factor in the loss of almost one third of the area sown to winter wheat and rye.

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The President's Daily Brief

22 December 1972

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THE PRESIDENT'S DAILY BRIEF

22 December 1972

PRINCIPAL DEVELOPMENTS

On *Page 1*, we report on Brezhnev's speech yesterday, covering those portions on the Vietnam war, relations with the US and China, as well as European matters.

Analysis of Soviet military spending figures presented last Monday shows that next year the USSR will spend about 22 billion rubles on defense--the equivalent of nearly \$70 billion valued at 1970 US costs. (*Page 3*)

The electoral front put together in Argentina by Peron is in danger of falling apart. (*Page 4*)

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(*Page 5*)

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FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

USSR

In his speech honoring the USSR's 50th anniversary yesterday, Brezhnev sharply attacked the increased US bombing in North Vietnam and criticized the "unseemly behavior" of the US that was "artificially delaying" a peace settlement. He routinely pledged "all-round support" for his North Vietnamese allies, but also said that Moscow would render "active assistance" to gain a just end to the war. He refrained from endorsing any specific proposals, suggesting that Moscow is more concerned with getting an agreement than with its exact terms.

Near the end of his comments on relations with the US, Brezhnev said that "much would depend on how events develop in the immediate future and notably what turn the question of ending the war will take."

This is the first time a Soviet leader has linked developments in Indochina publicly with over-all prospects for Soviet-US relations since Premier Kosygin's election speech in June 1971. The nature of Brezhnev's audience--which included senior North and South Vietnamese Communists and representatives of most of the Communist parties throughout the world--made this formulation virtually mandatory.

The tone of Brezhnev's remarks on the US, aside from Vietnam, was favorable. He placed strong emphasis on the necessity for the great powers to live in peaceful coexistence and included hopeful references to the prospects for SALT and for closer Soviet-US economic cooperation. On arms limitation, Brezhnev said that "it would not be a bad idea" to begin thinking about a permanent cutback of strategic weapons and "the establishment of certain limits on their qualitative improvement."

Brezhnev presented a long list of difficulties the Chinese have caused. He accused them of "absurd claims" to Soviet territory, "malicious slandering" of the USSR, and "open sabotage" of Soviet efforts at disarmament and easing international tension. He left the door open for improved relations, but made it clear that the Chinese would have to take the next steps.

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FOR THE PRESIDENT ONLY

On European matters, Brezhnev reiterated Soviet support for a Conference on Security and Cooperation in Europe, but he also acknowledged Western interest in a freer exchange of ideas and people and put the USSR on record as favoring this, on condition that it is done with "mutual respect...and not from positions of cold war." Brezhnev was less forthcoming on force reductions in Europe, on which he merely said the Soviet Union stands for "the serious preparation and efficient handling of these talks."

FOR THE PRESIDENT ONLY

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USSR

We have examined further the Soviet military and science spending figures presented last Monday and have compared them with our estimates of expenditures based on observed Soviet programs. Based on this study, we project an increase of between two and three percent in Moscow's spending in 1973 for defense. Most of the increase will go for military research and development.

As we noted earlier, the announced defense budget of 17.9 billion rubles is unchanged from 1972.

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Total outlays in 1973 for both deployed forces and research and development should reach about 22 billion rubles--the equivalent of nearly \$70 billion valued at 1970 US costs.

FOR THE PRESIDENT ONLY

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ARGENTINA

The electoral front put together during Juan Peron's 27 days in Argentina is now in danger of falling apart. The front's biggest component, Peron's own party, is divided over the selection of Hector Campora as the presidential candidate, and the largest non-Peronist party is threatening to pull out over the vice-presidential candidate. The selection of candidates for congress and provincial governorships, under way this week, has further aggravated the problem. Several provincial conventions have degenerated into physical combat among rival factions, and one top Peronist leader had to take refuge in a police station after he was attacked while trying to pass on Peron's instructions to a provincial caucus.

Campora is anathema to the military, which could legally disqualify him as a presidential candidate. [redacted]

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Since President Lanusse first announced that elections would take place, one of his goals has been to discredit Peron and divide his followers. It could be that Peron has now done this himself.

The government-sponsored coalition of provincial parties, which is expected to nominate recently retired air force General Ezequiel Martinez for president, is now talking of naming Jorge Paladino as its vice-presidential candidate.

Paladino preceded Campora as Peron's personal representative and still has a following among moderate Peronists. If Lanusse approves the selection of Paladino, it would show that he plans to take full advantage of Peron's problems in an attempt to shatter once and for all the long-feared Peronist political juggernaut.

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NOTES



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Finland: The Finnish Minister of Foreign Trade traveled to Moscow this week to deposit with the Council for Mutual Economic Assistance (CEMA) a draft treaty for his country's cooperation with the Soviet-dominated economic grouping. The draft does not imply a desire for membership, and the limited arrangements it proposes would have little immediate impact on Finland's commercial transactions with the Communists. Its main impact is political and psychological. The Soviets will find it useful to count a second non-Communist state--after Iraq--in association with CEMA, while the Finns--with leftist domestic opposition presumably satisfied--might have an easier time in finally signing an economic arrangement with the Common Market.

Philippines: A number of petitions have been filed with the Supreme Court seeking to block a national referendum on President Marcos' new constitution, which is scheduled for 15 January. Opposition political leaders assert that there is too little time, and conditions of martial law are too restrictive, for a full and free discussion of the issues. While Marcos can count on the court to do his bidding, he might find it politic to reset the date of the plebiscite to 15 February. Marcos' only real problem seems to be popular apathy; he wants at least 80 percent of the people to vote, but his latest poll indicates that only 40 percent intend to do so.

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The President's Daily Brief

23 December 1972

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THE PRESIDENT'S DAILY BRIEF

23 December 1972

PRINCIPAL DEVELOPMENTS

[] *Page 1* []

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Evidence is mounting that Moscow refused Chilean President Allende the large-scale "bail-out" assistance he was seeking. (Page 3)

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[] Malta. (Page 4) []

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Diminished Communist activity in Cambodia is making it possible for the government to move badly needed rice and other goods from the northwest to Phnom Penh. (Page 5)

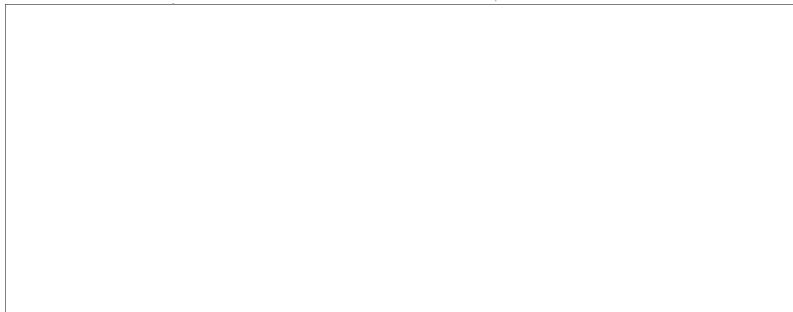
Tokyo's measures to reduce its trade surplus are moving very slowly. (Page 6)

Peking's reaction to a US air attack that damaged a Chinese merchant ship in Haiphong harbor has been measured and low-keyed. (Page 7)

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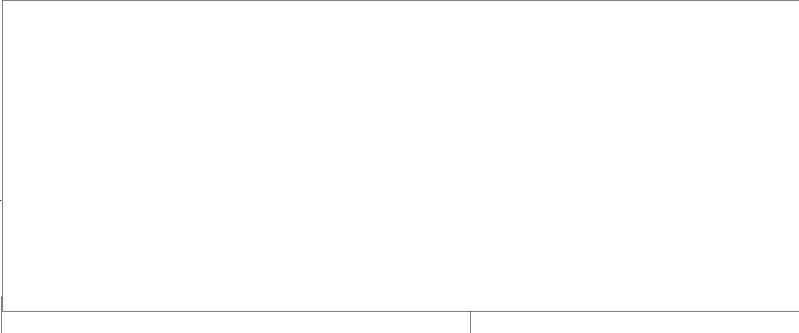
NORTH VIETNAM



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CHILE-USSR

Evidence is mounting that Moscow refused President Allende the large-scale "bail-out" assistance he was seeking.

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the Soviets did agree to provide some immediate help in the form of \$25 to \$30 million in food-stuffs, but this is far short of the \$300 to \$500 million in hard currency credits that Allende [redacted]
[redacted] was after.

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If Moscow were to provide Allende with the massive assistance he sought, it would have entailed major sacrifices at a time when the Soviet foreign exchange position is being strained by the need to finance large grain imports.

Moscow's apparent refusal to bail out Allende leaves the Chilean economy in dire straits. The foodstuffs apparently promised by the Soviets amount to less than eight percent of Chile's food import needs and will not allow Chile to avert a major cutback in imports and consumption during 1973.

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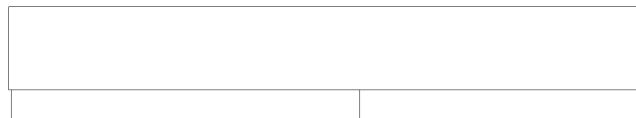
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FOR THE PRESIDENT ONLY

MALTA

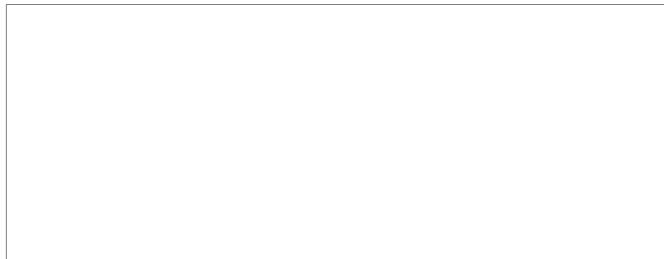


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CAMBODIA

Diminished Communist activity in recent weeks is making it possible for the government to move badly needed rice and other goods from the northwest to Phnom Penh.

The government garrison in the isolated northern provincial capital of Kompong Thom has been subjected to a series of shellings and ground probes since 7 December, but it has recently been reinforced and does not appear in danger of being overrun.

Throughout Cambodia, the intensity of the fighting has dropped significantly since the withdrawal of most of the Vietnamese Communist troops to South Vietnam last spring. The Khmer Communists have continued to improve their military capabilities, but they do not appear able to deal any major military setback to the defense-minded Cambodian Army.

FOR THE PRESIDENT ONLY

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JAPAN

Tokyo's measures to reduce its trade surplus are moving very slowly. The program to raise import quota levels has hardly gotten off the ground; so far there has been agreement on only six of some 32 controlled products. On the export side, the Japanese have selected some 20 items for restraints, but the date for implementing them has repeatedly been delayed.

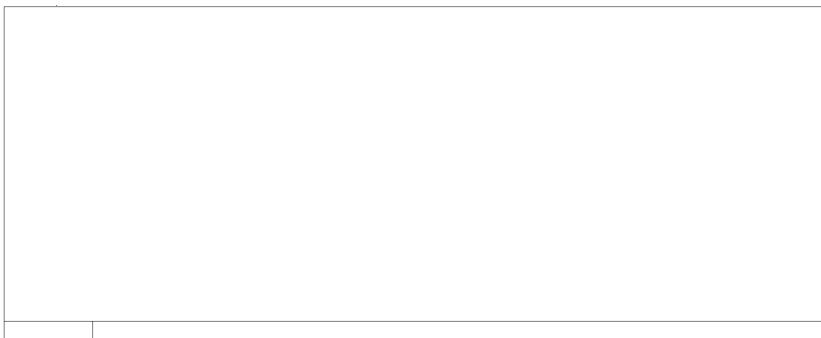
This evident foot-dragging may well stem from a belief on the part of Japanese officials that there will be another yen revaluation in the next few months and that this will overtake any steps taken now.

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FOR THE PRESIDENT ONLY

NOTES

China - US - North Vietnam: Peking's reaction to a US air attack on 20 December that damaged a Chinese merchant ship in Haiphong harbor has been measured and low-keyed. In a brief broadcast of 21 December, the New China News Agency expressed "extreme indignation," but implied that there were no casualties and little damage. The NCNA asserted that the Chinese Government is "closely watching the development of daily expanding US war activities." This formulation is considerably short of Peking's statement last June that US air operations "threatened" China's security.



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The President's Daily Brief

26 December 1972

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THE PRESIDENT'S DAILY BRIEF

26 December 1972

PRINCIPAL DEVELOPMENTS

It appears that Hanoi's population is being evacuated. In South Vietnam, the enemy apparently hopes to launch a new round of attacks before the end of the year. (Page 1)

The Laotian Government's only base between the Plaine des Jarres and the Vietnamese border is preparing for a strong Communist assault. (Page 2)

The Lebanese Army has been fighting the fedayeen. (Page 3)

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

VIETNAM

Hanoi's population apparently is being moved to safer areas. A North Vietnamese intercept of 23 December included the statement that Hanoi was being "completely evacuated." [redacted]

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[redacted]
Hanoi's main railroad station had been heavily damaged and the city's electric power plant destroyed. Hanoi's radios are still experiencing technical difficulties resulting in impairment of audibility, but today's programs are being broadcast on schedule. The Hanoi airport apparently can be used by small planes. The International Control Commission's weekly flight from Saigon arrived there yesterday.

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Although the reports of evacuation say little about relocation sites, one of the messages indicated that families were being moved as units. This indicates that the relocation process is proceeding in an orderly manner.

* * *

The lull in fighting continues following the one-day cease-fire proclaimed by both sides on 24-25 December. Intercepts indicate that the Communists are telling their troops to observe the next 24-hour cease-fire slated for 31 December and 1 January.

There are, nevertheless, signs that the enemy hopes to launch a new round of attacks before the end of the year. [redacted]

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COSVN has ordered its forces to attack major targets in the area of Saigon during the week between Christmas and New Year's Day. Enemy prisoners captured in the central highlands over the weekend had been told that their attacks had been part of a broader military effort. Communist main-force units have shifted closer to several government strongpoints in the northern provinces as well.

FOR THE PRESIDENT ONLY

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LAOS

Bouam Long, the only government stronghold remaining north of the Plaine des Jarres, is preparing for a renewed Communist assault. Defending the base are 1,200 troops and several hundred armed villagers. Seven Communist battalions are closing on Bouam Long, and heavy artillery, including 130-mm. guns, and possibly tanks are moving over newly constructed roads into hills south of the town. Perimeter defenses are being probed by enemy patrols today under cover of light artillery shelling.

Should the enemy take Bouam Long--formerly important as a staging area for General Vang Pao's operations against Communist supply lines--the tactical situation in the north would not be drastically affected. Bouam Long's significance is chiefly psychological, as a holdout against the Communists. Its loss, however, would be a major blow to General Vang Pao's Meo tribesmen whose morale is already low after years of debilitating fighting.

Bouam Long withstood Communist sieges in 1970 and 1971, largely because of US air support.

FOR THE PRESIDENT ONLY

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NOTES

Lebanon-Fedayeen: The Lebanese Army clashed twice with the fedayeen during the holiday weekend. One fight occurred after the fedayeen refused to evacuate one of their bases as ordered, the other skirmish erupted when army troops fired on fedayeen as they tried to move from one area to another. At least one guerrilla was killed. A series of similar sharp encounters occurred in early December as a result of fedayeen attempts to infiltrate areas of southern Lebanon near Israel--in violation of their agreement with the government.

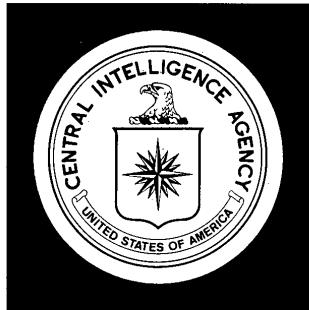
West Germany: Disarmament experts and Foreign Office officials are preparing to recommend to Chancellor Brandt that West Germany should join France, Italy, and Britain in supporting the idea that initial force reductions in Europe should be limited to Soviet and American troops.

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The issue is far from settled, however; Defense Ministry experts, for example, still hold that German troops should be included in initial cuts of both stationed and indigenous forces.

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THE PRESIDENT'S DAILY BRIEF

27 December 1972

PRINCIPAL DEVELOPMENTS

In the domestic portion of his speech last Thursday, Soviet party chief Brezhnev devoted primary attention to relations among the various Soviet nationalities. He also revived the promise of a new state constitution. *(Page 1)*

[Redacted] *(Page 2)*

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[Redacted]

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(Page 2)

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FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

USSR

In the domestic portion of his speech last Thursday saluting the USSR's 50th anniversary, Brezhnev devoted primary attention to relations among the various Soviet nationalities. He warned of the dangers of persisting nationalistic tendencies that "interweave" with special local or regional interests--presumably a reference to recent problems in the Ukrainian and Georgian republics, where party chiefs were removed earlier this year. Brezhnev also spoke frankly of "objective problems" that arise in attempts to achieve a balance between the interests of individual nationalities and the interests of the Soviet Union as a whole.

Brezhnev's only other exceptional theme was a statement that the time is ripe for a new state constitution. He said that the draft of the new version will be submitted for nationwide discussion before the next party congress, due to be held in 1976.

A new constitution was one of Khrushchev's pet projects. He repeatedly promised to replace the current one, adopted in 1936, but the proposal appeared to have fallen by the wayside after his ouster. This is the first time Brezhnev has mentioned a new constitution since 1966.

Although Brezhnev looked haggard and tired by the final day of the celebration, he delivered his three-and-one-half hour speech with vigor and appeared to have recovered from the illness that sidelined him during part of October and November.

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Saudi Arabia:

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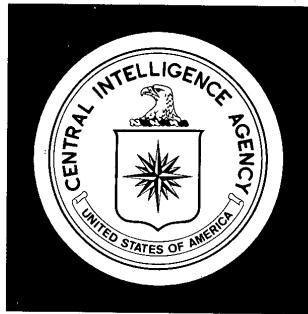
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Vietnam: The weekly flight of the International Control Commission aircraft from Saigon that was reported yesterday as arriving in Hanoi on 25 December, actually landed in Vientiane.

FOR THE PRESIDENT ONLY

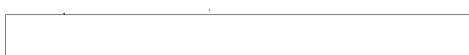
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FOR THE PRESIDENT ONLY

LATE ITEM

Israel-Fedayeen: The Israeli Government has asked the US Embassy in Tel Aviv to pass on whatever information becomes available through US channels concerning the seizure this morning of the Israeli Embassy in Bangkok by armed terrorists of the Black September Organization. The terrorists are holding several Israeli Embassy staff members hostage and have demanded the release by eight PM today of some 36 persons held in Israeli jails.

FOR THE PRESIDENT ONLY

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THE PRESIDENT'S DAILY BRIEF

28 December 1972

PRINCIPAL DEVELOPMENTS

The Warsaw Pact countries may confer next month before responding to the West's invitation to begin force reduction talks. (Page 1)

A two year decline in world rice production is expected to continue into the coming year, compounding existing social and economic problems in a number of less developed countries. (Page 2)

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(Page 3)

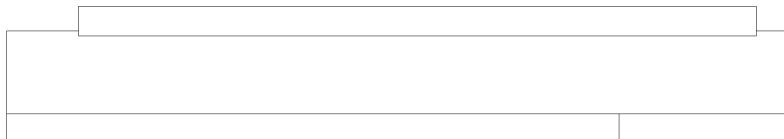
FOR THE PRESIDENT ONLY

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WARSAW PACT - MBFR

The Warsaw Pact countries, who have yet to respond to the West's invitation to begin force reduction talks, may confer in January before doing so. Warsaw Pact leaders did not meet as a group in Moscow during the week of the Soviet Union's 50th anniversary celebration as some Soviet officials had suggested they would. Instead they conferred separately with General Secretary Brezhnev.

Their delay in replying to the West may result from differences between the Soviet Union and Romania over the latter's desire for full participation in the MBFR talks.

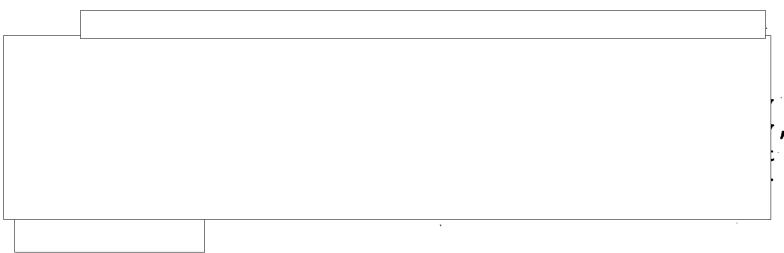


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WORLD RICE SHORTAGE

The decline in world rice production of the past two years promises to extend into the coming year as well. This downward trend reflects deliberate cutbacks in the production of the United States and Japan in 1970 and 1971 and a variety of adverse conditions--weather, crop disease, war, and bureaucratic mismanagement--in other major rice-producing countries. With carryover stocks already unusually low in many countries, the need for imports will increase in 1973 while supplies available for export will be as much as 20 percent lower than in 1972.

A simultaneous shortage of wheat--due in large part to the poor harvest in the USSR in 1972--limits one major avenue of relief.

The effect of the shortages is to compound existing economic and social problems in most rice-consuming, less-developed countries. The need to import rice reduces their ability to maintain the momentum of their development programs, and the shortages have seriously increased inflation. In several of the affected countries, including India, economic growth in 1972 will not keep pace with the population increase.

Next year's rice situation could be eased should China, despite poor agricultural returns in 1972, be tempted by high prices to increase rice exports.

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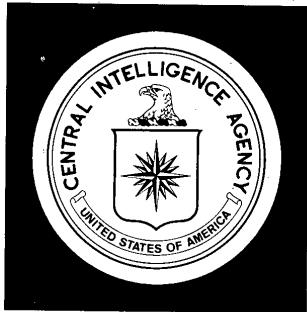
North Vietnam: [redacted]

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Egypt: President Sadat breaks an unusually long public silence today with his first speech to the nation since mid-October. A year has passed since Sadat's self-proclaimed "year of decision" ended and intensified rumblings of discontent in Cairo provide the backdrop for an address that may be more militant than usual. Sadat's frustrations over the lack of any diplomatic breakthrough are likely to be reflected in the speech.

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THE PRESIDENT'S DAILY BRIEF

29 December 1972

PRINCIPAL DEVELOPMENTS

Peking staged a rally today in support of the Vietnamese Communists directed primarily at building the prestige of the Provisional Revolutionary Government of South Vietnam. (Page 1)

Aerial photography over North Vietnam shows an undamaged Komar guided missile boat at the Ile de la Surprise, south of Hon Gai. The evacuation of Hanoi continues. (Page 2)

The Communist attack against Bouam Long, the only remaining Lao Government base north of the Plaine des Jarres, has begun. (Page 3)

London has publicly announced its unwillingness to meet Maltese Prime Minister Mintoff's demands that he be compensated for losses caused by the floating of the pound. (Page 4)

In Egypt, President Sadat has renewed his appeals for a firm domestic front to support the task of liberating the occupied territories. (Page 5)

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

CHINA-VIETNAM

Peking staged a rally today in support of the Vietnamese Communists directed primarily at building the prestige of the Provisional Revolutionary Government of South Vietnam. Madame Binh, the PRG foreign minister, is now in Peking for a short visit.

Until now, Chinese reaction to Vietnamese developments has been measured and low-keyed. Apart from the New China News Agency statement on bomb damage to a Chinese ship in Haiphong harbor last week, Peking has not directly linked the Vietnamese issue to Sino-American relations, and the ship has not been mentioned again.

The only previous hint of stronger backing for Hanoi in the wake of the impasse at Paris and renewed US bombing was included in the joint communiqué which ended the Chinese foreign minister's visit to North Korea this week.

FOR THE PRESIDENT ONLY

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NORTH VIETNAM

[redacted] analysis of aerial photography taken on [redacted] shows an undamaged Komar guided missile boat at the Ile de la Surprise, south of Hon Gai.

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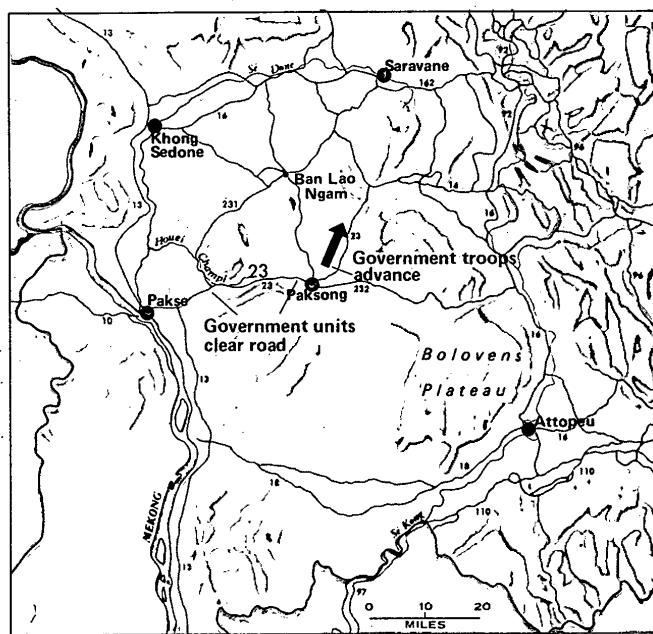
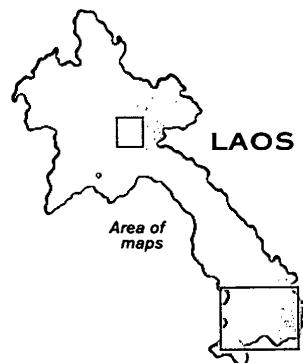
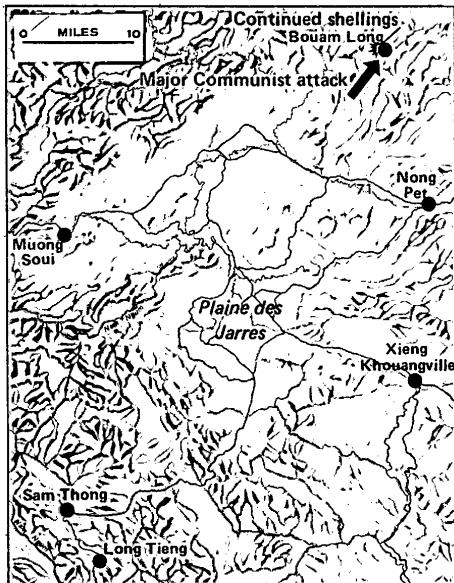
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This sighting accounts for the fourth of the four Komar boats which arrived at Fort Bayard (Chan-chiang) from the USSR earlier this month, along with their Styx missiles (25-nm. range). The boats apparently crossed the Gulf of Tonkin to North Vietnam on 16 December and US Navy aircraft sank one and damaged two near Hon Gai three days later.

* * *

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LAOS

The Communist attack against Bouam Long, the only remaining government base north of the Plaine des Jarres, has begun.

Ground and artillery attacks on 27 and 28 December forced irregulars to abandon several positions—an artillery post six miles south of the base and other outposts closer to Bouam Long itself. Artillery bombardment has forced the closing of the base airstrip except to helicopters. Government defenders, however, have so far suffered few casualties.

In the south, government troops have cleared the last Communist units from Route 23 between Pakse and Paksong on the central Bolovens Plateau. The road is being repaired and should soon be opened to traffic for the first time in over a year. Other government troops continue to push north from Paksong against only light resistance.

FOR THE PRESIDENT ONLY

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UK-MALTA

London announced yesterday its unwillingness to meet Prime Minister Mintoff's demands that he be compensated for losses caused by the floating of the pound. The UK's public position, which also makes clear London's interest in continuing the base agreement with Malta, will be confirmed in a note to Mintoff [redacted]

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The British announcement was made in large part to make London's position known to the Maltese public. Mintoff, after weeks of secrecy, made a speech to the Maltese parliament on 27 December in which he placed the onus on the UK for the possible abrogation of the March agreement.

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The UK asked its NATO allies yesterday to try to convince Mintoff that abrogation of the agreement would create economic problems for Malta.

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EGYPT

In his first speech to the nation since mid-October, President Sadat called for a firm domestic front to support the task of liberating the occupied territories. Sadat warned against the stimulation of sectarian strife, vowed not to permit a polarization of youth, and generally tried to attribute internal restiveness to the machinations of Egypt's external enemies.

Responding to criticism that the nation is not ready for war, Sadat said he had ordered the cabinet to prepare for the "outbreak of fighting" and promised to set up committees on "war affairs" at the national level and in every province. He pledged further efforts to enlist the assistance of Syria, Libya, and the other Arab states in the military effort. As a final measure he promised an "international move," presumably a new diplomatic effort, that would remind the world of the responsibilities it bears for Egypt's current situation.

Sadat referred only briefly to the value of Arab-Soviet friendship and reminded his listeners that they had to "appreciate the circumstances and limits of every friend." He included only standard criticism of the US for its support of Israel.

Sadat's appeals for unity and for determination in facing the "coming conflict" are not new. He has offered nothing tangible to resolve the nation's difficulties, and the malaise in Egypt can only continue and may well increase.

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NOTE

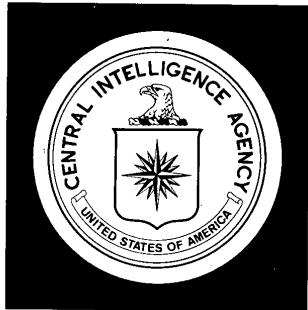
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30 December 1972

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THE PRESIDENT'S DAILY BRIEF

30 December 1972

PRINCIPAL DEVELOPMENTS

Hanoi's radio stations are broadcasting poorly again, but Gia Lam airport apparently is open to limited traffic. Additional areas of North Vietnam are being evacuated. (Page 1)

The Viet Cong's Madame Binh was treated to an extraordinary reception in Peking, where government leaders are still carefully modulating their criticisms of US policy in Vietnam. Meanwhile, Moscow continues to juggle support for Hanoi and a desire for detente. (Page 2)

South Vietnam's President Thieu has decreed stiff criteria for organized political activity in the hope of consolidating the non-Communist parties. (Page 3)

In Argentina, the Peronists are frittering away their chances to beat the government's candidate for the presidency. (Page 4)

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NORTH VIETNAM

The broadcast stability achieved during the past few days by Hanoi's radios has sharply deteriorated. The main domestic services are again experiencing frequent interruptions of transmissions, and Hanoi's international service has technical problems. Press agency [redacted] communications continue in disarray.

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On Wednesday, [redacted] a scheduled Chinese airliner made a successful landing at Gia Lam airport, apparently the first airliner to Hanoi since 18 December. Since then, the International Control Commission's aircraft has made a round trip to Hanoi, returning yesterday to Vientiane.

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[redacted]

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Additional populated areas are being evacuated. On Christmas Day, according to an intercept, the executive committee of Bac Thai Province, north of Hanoi, issued orders for the evacuation of people from cities, towns, railroad stations, and storage areas. Supplies were to be removed from dumps and dispersed. Only citizens engaged in combat production or combat services were excluded from the order.

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

CHINA-USSR-VIETNAM

The Viet Cong's Madame Binh has received an extraordinarily cordial reception in Peking, including a visit with Chairman Mao, who has been seeing only heads of state and government during the past year. The keynote speaker at a rally yesterday in honor of Madame Binh was Yeh Chien-ying, a member of the Politburo and a senior military commander. Yeh attacked US policy in Vietnam in language which has not been heard from Peking in some time. He focused his criticism on the bombing and US support for President Thieu, and blamed the impasse in Paris solely on Washington's "unreasonable demands."

Yeh's remarks edged Peking closer to the Vietnamese Communists on some key issues; he termed Hanoi's position at the Paris talks "a correct stand" and he implied support for Hanoi's position that a bombing halt north of the 20th parallel is a precondition for a resumption of the negotiations. On the other hand, Yeh expressed China's support for Vietnam only in general terms, and said nothing to indicate that a substantial increase in Chinese aid might be forthcoming.

Yeh made no reference to Sino-US relations. Chou En-lai, however, used the occasion of a public reception for Madame Binh to seek out Marilyn Berger of The Washington Post and to warn that the renewed bombing could adversely affect Sino-American relations.

We have not discerned in this any diminution of China's overriding desire for an early settlement of the war.

* * *

Moscow continues to juggle its need to support Hanoi with its desire to maintain the momentum of Soviet-US detente. Following a meeting on 29 December with North Vietnamese Politburo member Truong Chinh, Soviet party ideologist Suslov "demanded" an immediate end to the bombing and the signing of a peace agreement. He reiterated that the USSR is giving "and will go on giving all the necessary aid" until Vietnam's "just cause triumphs."

Suslov's rhetoric was a shade harsher than that used by Brezhnev in his anniversary speech last week, but he said nothing that has not been said many times before and even since the summit meeting last May.

FOR THE PRESIDENT ONLY

SOUTH VIETNAM

Earlier this week President Thieu issued a new decree that contains stiff new criteria for political parties. The decree requires parties to have chapters comprising at least five percent of registered voters in at least half of South Vietnam's provinces and independent municipalities, and to win 20 percent of the vote cast in future upper house elections and 20 percent of the seats at stake in lower house elections.

Thieu apparently hopes he can consolidate the highly factionalized non-Communist camp in time to face a political struggle with the Communists. Some of his critics, however, will view the new measure as Thieu's device to increase his personal power by reducing competition against the nascent government-sponsored Democratic Party. Only a few of the country's 26 current legal parties could hope to meet the terms of the decree. Many small parties will be forced to go underground or to seek new alliances. Some might well decide to join the government camp.

South Vietnam's only strong opposition group, the An Quang Buddhists, will be unhappy with a provision requiring all candidates for national office to be backed by a legal party. The Buddhists have done well in recent elections for the Assembly, but they have no formal party of their own and have shown a reluctance to form one. In recent months, the Buddhists have muted their criticism of the government, and some have even indicated an interest in cooperating with Thieu. The Buddhists may protest the new measure, but they are unlikely to take a militant antigovernment stand because they still see the Communists as the greatest threat to their existence.

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

ARGENTINA

Continuing bickering among the Peronists and their allies is improving the prospects of the Lanusse government's presidential candidate, retired air force General Ezequiel Martinez. Conflict among Peron's followers over the electoral slate appears to have been behind the attempted assassination of an important Peronist union official early this week.

With the approach of the deadline of 2 January for the formal filing of candidacies, President Lanusse has backed off from the idea of picking as Martinez' running mate Jorge Paladino, who has some following among moderate Peronists.

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Lanusse already is doing everything possible, including the use of government funds, to make sure that Martinez wins enough votes on 11 March to have a voice in the selection of candidates for the runoff that is necessary if no man wins a majority.

Even after the filing deadline passes, uncertainty over the lineup of top candidates will remain until the government-influenced courts rule on the legality of the Peronist Front's candidate, Hector Campora. We expect that Lanusse will see no major threat in the Campora candidacy and let it run its course.

FOR THE PRESIDENT ONLY



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FOR THE PRESIDENT ONLY

NOTES

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USSR-Somalia: The Soviets are supplying Somalia with four IL-28 jet bombers. The bombers, [redacted] will be the first such planes in the Somali Air Force. Their delivery, following a marked increase in Soviet shipments of other weapons during the past several months, is likely to aggravate relations with Ethiopia, a traditional enemy. The two states have been involved in an uneasy military standoff over a disputed border area for more than a month.

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Cyprus: Presidential elections will be held on 18 February. Archbishop Makarios is virtually assured of re-election to another five-year term, but the campaign could well result in renewed violence from General Grivas and his followers, who wish for union with Greece rather than continued independence. The vice-president will come from the Turkish Cypriot community; Ankara's candidate, Rauf Denktash, has a strong lead over incumbent Fazil Kuchuk.

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