

# *The President's Daily Brief*

1 June 1973

45

25X1

~~Top Secret~~

Exempt from general  
declassification schedule of E.O. 11652  
exemption category 5B(1)(2),(3)  
declassified only on approval of  
the Director of Central Intelligence

**FOR THE PRESIDENT ONLY**

**THE PRESIDENT'S DAILY BRIEF**

1 June 1973

**PRINCIPAL DEVELOPMENTS**

Talk of war preparations in the Middle East has diminished in recent weeks as the Egyptians concentrate on diplomatic maneuvers in advance of the UN Security Council debate next week. (Page 1)

25X1

25X1

Cambodia [redacted]

(Page 2)

25X1

Soviet stalling on negotiations with Japan concerning joint economic ventures in Siberia is aimed at playing off the major industrial nations against one another. (Page 3)

The decision of West Germany's highest court to hear a constitutional challenge to the inter-German treaty has had an immediate negative impact on Bonn's negotiations with Pankow. (Page 4)

Canada's minority government, bolstered by the broad domestic support for the decision to quit the ICCS, will now push more aggressively for adoption of its legislative program. (Page 5)

**FOR THE PRESIDENT ONLY**

**FOR THE PRESIDENT ONLY**

**EGYPT**

Talk of war preparations has diminished in recent weeks. The Egyptians are concentrating on diplomatic maneuvers in advance of the UN Security Council debate on the Middle East next week.

25X1

Egyptian statements have turned from strident calls for war to a lower pitched--and longer range--emphasis on the "total mobilization" of political and economic, as well as military, resources for an eventual confrontation with Israel.

25X1

25X1

Egypt's intensive round of diplomatic contacts has aimed at finding an approach that would exert pressure on the US to push Israel toward compromise, or at least give the appearance of progress toward a peaceful solution.

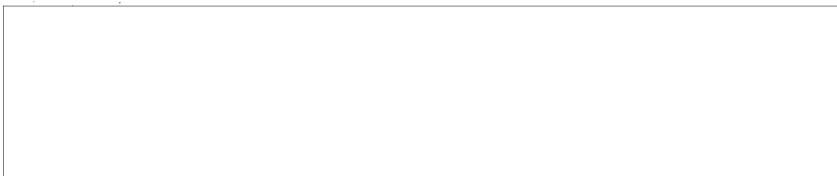
25X1

Cairo is apprehensive about US-Soviet detente, fearing a Soviet reluctance to provide strong support for Egypt's approach toward a settlement. President Sadat has made clear his unhappiness with Soviet policy toward Egypt in several recent public speeches, and the Soviets apparently have told the Egyptians that they want a non-controversial UN resolution. This is a particularly important consideration for Moscow on the eve of Brezhnev's summit meeting with President Nixon.

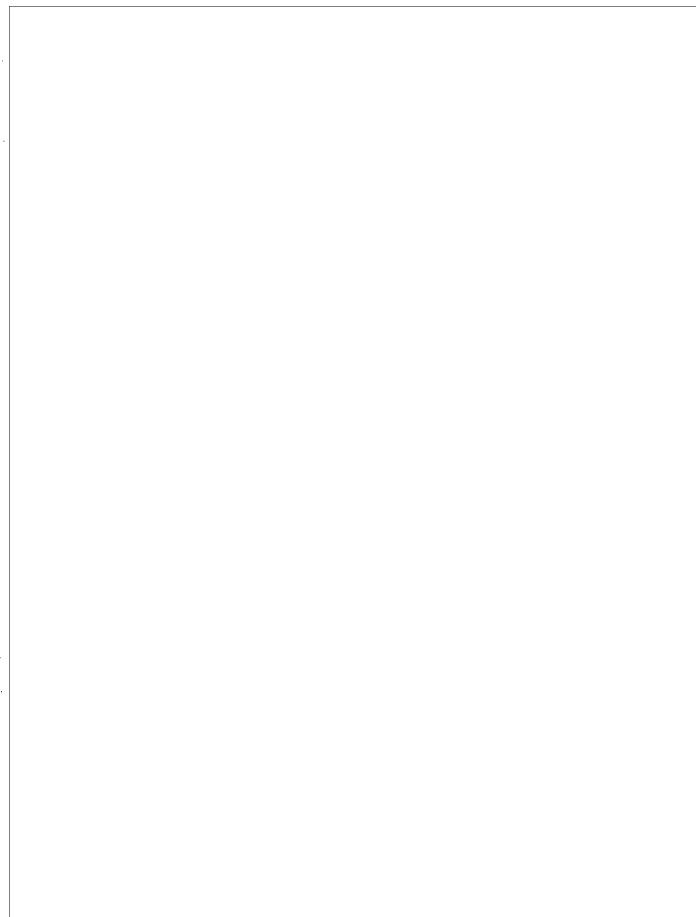
**FOR THE PRESIDENT ONLY**

*FOR THE PRESIDENT ONLY*

CAMBODIA



25X1



25X1

*FOR THE PRESIDENT ONLY*

**FOR THE PRESIDENT ONLY**

**USSR-JAPAN**

The Soviets have begun to stall on negotiations with Japan concerning joint economic ventures in Siberia. They have postponed meetings that were to take up details concerning the Tyumen oil pipeline, Yakutsk gas, and other projects.

The Soviets have discussed their new approach with US diplomats in Tokyo. Ambassador Troyanovsky, after pressing hard earlier in the year for Japanese Government support of the Tyumen project, recently acknowledged that the USSR is now "dragging its feet." A Soviet trade official said Moscow expected to conclude favorable deals with the US on energy projects during coming meetings and would later propose similar terms to Japan on a "take-it-or-leave-it basis." He also played up the results of the recent Brezhnev-Brandt meeting, particularly on energy matters.

*The Soviets probably hope that these remarks will get back to the Japanese and persuade them that Moscow has attractive alternatives to Japanese participation in Siberian projects. Tokyo officials have tried to alert Japanese businessmen to the Soviet ploy, but there are already signs of mounting worry that the USSR might turn to the West for help in developing its energy resources.*

*The new Soviet coolness toward Japanese participation is part of a larger Soviet effort to play off the major industrial nations against one another. During his visit to Bonn, Brezhnev spoke in glowing terms about the prospects for economic cooperation with the US and with Japan.*

**FOR THE PRESIDENT ONLY**

**FOR THE PRESIDENT ONLY**

**WEST GERMANY**

The Constitutional Court decided to hear Bavaria's constitutional challenge to the inter-German treaty. The decision, which blocks completion of the treaty's ratification, has had an immediate negative impact on Bonn's relations with Pankow. Negotiators Bahr and Kohl ended their session on Wednesday by announcing that, in light of the case, they would not set a date for their next meeting.

The Court expects to reach a decision by the end of July.

*Chancellor Brandt seems justified in his public optimism that the Court will rule in favor of the treaty, even though four of its eight justices were named by the opposition. The challenge comes from the most conservative element of the opposition, which as a whole is no longer strongly opposed to the treaty.*

**FOR THE PRESIDENT ONLY**

**FOR THE PRESIDENT ONLY**

**NOTES**

Canada: Bolstered by broad domestic support for its decision to quit the ICCS, the minority Trudeau government apparently is attempting to dispel any notion that it is concerned solely with survival, and will now push more aggressively for adoption of its legislative program. The most controversial element of this program is the Liberal Party's proposal to cut corporate taxes, which is opposed by the party's coalition partner, the New Democratic Party. The Liberals may have gained the support of the opposition Conservatives, however, by offering to subject the legislation to periodic parliamentary review.

25X1

Singapore - Nationalist China: [redacted]

25X1

**FOR THE PRESIDENT ONLY**

*Top Secret*



## *The President's Daily Brief*

2 June 1973

25X1

45



~~Top Secret~~

Exempt from general  
declassification under E.O. 11652  
exemption category SRG (1)(3)  
declassified only on approval of  
the Director of Central Intelligence

*FOR THE PRESIDENT ONLY*

**THE PRESIDENT'S DAILY BRIEF**

2 June 1973

**PRINCIPAL DEVELOPMENTS**

The Cambodian Government is making some initial preparations for possible dealings with Sihanouk and the Khmer Communists. (Page 1)

The North Vietnamese have been infiltrating troops into northern South Vietnam at a moderately heavy rate for several weeks. (Page 2)

By abolishing the Greek monarchy, Papadopoulos has bought himself some time to deal with his more resolute colleagues. (Page 3)

*FOR THE PRESIDENT ONLY*

**FOR THE PRESIDENT ONLY**

**CAMBODIA**

Phnom Penh is making some initial preparations for possible dealings with Sihanouk and the Khmer Communists.

In a bid to improve the atmosphere for negotiations, the government on May 30 released some 30 political prisoners held since the bombing attempt on Lon Nol's residence last March. Most of those released are members of the royal family, including several of Sihanouk's close relatives.

[redacted] the High Political Council plans to release several hundred political prisoners, including some arrested in the wake of Sihanouk's ouster in 1970.

25X1

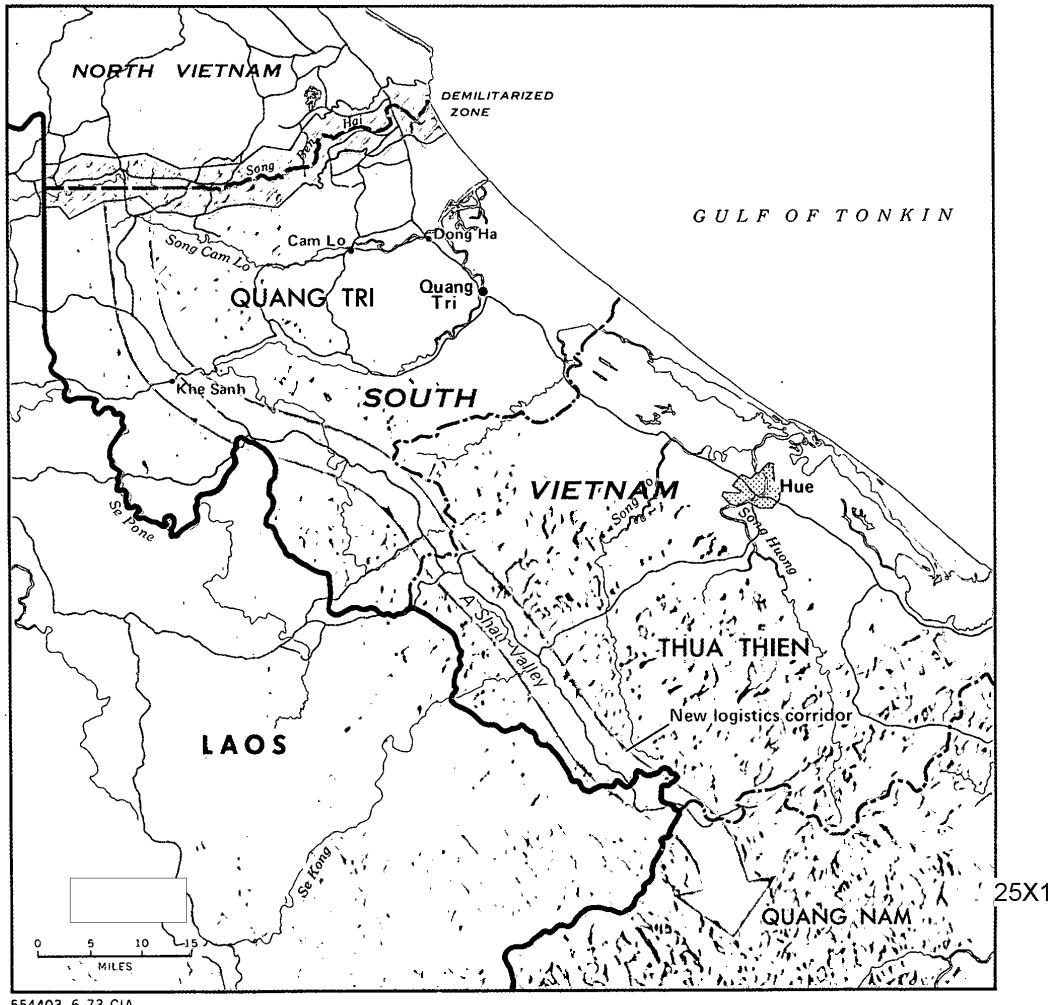
[redacted]

25X1  
25X1

[redacted] In the past week, Sihanouk and several of his "ministers" have reiterated that the fighting in Cambodia will continue and that there will never be any negotiations with the "traitorous clique" in Phnom Penh. Although he asserts that Cambodians must solve their own problems, Sihanouk continues to express willingness to negotiate directly with the US.

25X1

**FOR THE PRESIDENT ONLY**



554403 6-73 CIA

**FOR THE PRESIDENT ONLY**

**VIETNAM**

Troop infiltration to northern South Vietnam has continued at a moderately heavy rate for several weeks. Nine groups, totaling approximately 5,000 men, have been detected moving south through the North Vietnamese panhandle toward this area since May 12. Their identification numbers suggest that an additional five groups, involving about 2,500 troops, moved through the pipeline unobserved between January and early May.

*The troops probably are destined for Thua Thien Province. The Communists have built a massive supply depot in the A Shau Valley and are constructing a new logistics corridor through the western part of the province. Hanoi may have concluded that its forces were inadequate to protect this area from a South Vietnamese incursion. The fresh troops also will enhance the Communists' ability to attack government positions in the sector.*

*No troops have been noted moving through the infiltration pipeline toward other areas of South Vietnam since March.*

**FOR THE PRESIDENT ONLY**

*FOR THE PRESIDENT ONLY*

**GREECE**

In his broadcast yesterday abolishing the monarchy and declaring himself provisional president, Papadopoulos also:

- promised to publish within a month the necessary draft amendments to the 1968 constitution,
- pledged to hold a plebiscite on the amendments within two months,
- said he would then set up machinery for a more thorough constitutional revision, and
- promised to conduct general elections by the end of 1974.

Papadopoulos' decree has bought him time to deal with some of his more restive colleagues. Key army leaders were united in their opposition to King Constantine, and are certain to back his ending of the monarchy.

The decree is nevertheless irrelevant to the major problems with which the government has been wrestling. Some of Papadopoulos' colleagues have been sharply critical of his performance. In the long run, he may well find himself in trouble again because of dissatisfaction over his government's inefficiency, ineptness, and corruption.

*FOR THE PRESIDENT ONLY*

NOTES

Laos: France will send 39 officers to Laos this month as the first contingent to augment its 70-man military assistance mission.

25X1

During a visit to Paris in February 1972, Prime Minister Souvanna proposed that the French considerably increase the number of their advisers to help offset the withdrawal of US personnel as a part of the Lao peace agreement. The Geneva Accords of 1954, which are still in effect, provide for a maximum of 1,500 French military advisers for Laos.

USSR-Cuba: [redacted]

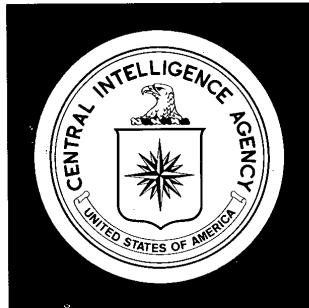
25X1

[redacted]  
[redacted]  
25X1

[redacted]  
25X1

*FOR THE PRESIDENT ONLY*

*Top Secret*



# The President's Daily Brief

4 June 1973

45

~~Top Secret~~ 25X1

Exempt from general  
declassification schedule of E.O. 11652  
exemption category 5B(1)(c)(2)(3)  
declassified only on approval of  
the Director of Central Intelligence

**FOR THE PRESIDENT ONLY**

**THE PRESIDENT'S DAILY BRIEF**

4 June 1973

**PRINCIPAL DEVELOPMENTS**

Diplomatic jockeying at the United Nations has produced no sign of compromise among the major parties to Wednesday's Security Council debate on the Middle East. (Page 1)

The crash of a Soviet supersonic airliner will hurt the Russians in future competition with the British-French Concorde. (Page 2)

Juan Peron is planning to return to Argentina soon, and his early return is likely to stir restlessness among military leaders who oppose him. (Page 3)

Fedayeen terrorists are again active. (Page 4)

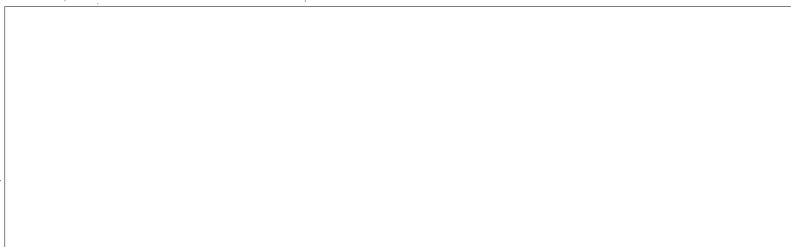
Weakened Communist forces around Cambodia's capital are taking a breather. (Page 4)

**FOR THE PRESIDENT ONLY**

**FOR THE PRESIDENT ONLY**

**MIDDLE EAST**

The UN Security Council's Middle East debate has been postponed at Egyptian request until Wednesday to permit further consultations, but there is no sign of give among the major parties. The Egyptian Government is reported to be planning a demand for immediate Israeli withdrawal from its territories, and is said to have no interest in further mediation efforts.



25X1

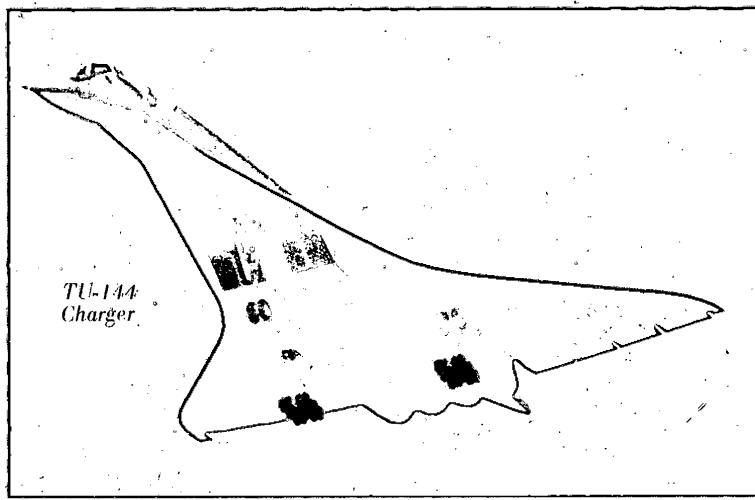


25X1

Israel continues to oppose any new UN mediatory instruments. Its ambassador, Tekoah, has asked US representatives for a clear statement of willingness to veto proposals such as the mediation committee favored by London. Tekoah did suggest, however, that his government might accept UN Secretary-General Waldheim as a go-between to replace Jarring.

The Soviets have also informed US officials that they will oppose a mediation committee. While concurring with the US preference for a simple reaffirmation of existing arrangements, they have expressed doubt that this would be possible.

**FOR THE PRESIDENT ONLY**



**FOR THE PRESIDENT ONLY**

**USSR**

The crash yesterday of the Soviets' TU-144 supersonic airliner at the Paris Air Show puts Moscow at a disadvantage in future competition with the British-French Concorde.

*Despite Moscow's claims that the craft that crashed in Paris was a production model, only three such planes have been built and flown. Several more are under construction.*

*The plane that crashed was a larger and modified version of the TU-144 first shown at Paris in 1971. Westerners who had an opportunity to inspect that TU-144 have reported shoddy workmanship, outmoded equipment, and dissatisfaction with its engines.*

*The TU-144 has been promised by the Soviets for commercial service in 1975. If flight testing is continued at its present pace, the Soviet goal of 3,000 hours of tests suggests that its introduction will be late. The aircraft has been flown only about 250 hours compared to well over 1,000 hours for the Concorde.*

**FOR THE PRESIDENT ONLY**

**ARGENTINA**

Juan Peron has announced that he is ending his 17 years of exile in Madrid and returning to Buenos Aires on June 21.

The former dictator's decision so soon after the inauguration of Hector Campora is probably in response to the urging of followers, who view his return as the capstone to the Peronist electoral victory.

Peron carefully avoided the question of whether he will become involved in the day-to-day operations of the government, saying merely that his first task will be the affairs of his Peronist movement. Peron also expressed an interest in visiting all the countries of South America.

Although the military leadership has pledged not to interfere, Peron's presence is likely to increase the restiveness of those officers who still oppose Peron personally and are distrustful of the new Peronist administration.

**FOR THE PRESIDENT ONLY**

**FOR THE PRESIDENT ONLY**

**NOTES**

Arab Terrorists: Fedayeen terrorists are again active, ending the lull brought on by the fighting in Lebanon.

25X1

The Lebanese Army hurt the guerrillas in the heavy fighting last month, but not enough to affect their capabilities for terrorism.

25X1

Another fedayeen group [redacted] planning the hijacking of a Jordanian or US airliner in an effort to gain release of Palestinian terrorists held in Jordan.

Cambodia: Fighting has tapered off significantly in recent days, in part because of a weakening of Communist combat capabilities. According to an intercept, two Communist regiments operating along the Mekong River have taken heavy casualties over the past five months and are not planning to resume hostilities before "mid-June or July." According to another intercept, the Communists hope to shift the focus of their offensive operations soon to the area southwest of Phnom Penh, especially near Route 4.

**FOR THE PRESIDENT ONLY**

*Top Secret*



# The President's Daily Brief

5 June 1973

45

~~Top Secret~~ 25X1

Exempt from general  
declassification schedule of E.O. 14176  
exemption category SR(1)(2)(A)(3)  
declassified only on approval of  
the Director of Central Intelligence

*FOR THE PRESIDENT ONLY*

THE PRESIDENT'S DAILY BRIEF

5 June 1973

PRINCIPAL DEVELOPMENTS

The current visit of top North Vietnamese leaders to Peking is described as an official "friendly" occasion, but major substantive discussions are expected. (Page 1)

The Provisional Revolutionary Government may soon set up a capital in South Vietnam, possibly in connection with its 4th Anniversary on June 6. (Page 2)

All major European currencies have recently appreciated sharply against the dollar, and European bankers are now fearful that the dollar will continue to move downward for some time. (Page 3)

In Libya, the take-over of radio and television stations by government-backed popular committees last weekend is part of Qadhafi's continuing effort to promote his "cultural revolution" and to silence domestic critics of the scheduled merger with Egypt. (Page 4)

Several recent incidents are troubling the generally warm relations between Moscow and Baghdad. (Page 5)

*FOR THE PRESIDENT ONLY*

**FOR THE PRESIDENT ONLY**

**NORTH VIETNAM - CHINA**

North Vietnamese party boss Le Duan and Premier Pham Van Dong received a warm but not exceptional welcome when they arrived in Peking yesterday. The visit is described as an official "friendly" occasion, but major substantive discussions are expected. Le Duan has seldom gone abroad--and never before to China on an official visit--even when matters of great importance to North Vietnam have been under discussion in foreign capitals. His participation thus indicates that Hanoi attaches great importance to the visit.

The two sides will probably review the whole range of their relationship in the light of the Paris Agreement and the US-Chinese rapprochement. The North Vietnamese undoubtedly wish to assess what effect the US-Chinese relationship will have on Chinese long-term political, military, and economic support for North Vietnam. Inclusion in Hanoi's delegation of people responsible for economic and military assistance negotiations with Peking indicates that Chinese aid is an important topic.

Another question of major importance is the current effort to strengthen and redefine the Paris Agreement--an effort that more than once has sparked expressions of unhappiness in Hanoi over pressure from its big-power patrons. The two sides might, for example, examine the possible forms of a negotiated settlement in Cambodia. The Chinese may also be pressing Hanoi to reduce its military presence in Cambodia and Laos.

Unofficial sources indicate that the North Vietnamese will be going on to "other socialist countries," but this is not confirmed.



554405 6-73

**FOR THE PRESIDENT ONLY**

**VIETNAM**

The Provisional Revolutionary Government may soon set up a capital in South Vietnam, possibly in connection with its 4th Anniversary on June 6.

25X1

Moscow announced yesterday that its ambassador to Burma will now also be accredited to the PRG.

The Communists apparently have considered a number of sites for a capital including Binh Long and Tay Ninh provinces, but some location in Quang Tri Province seems most likely. The Communists reportedly are rebuilding Dong Ha, north of Quang Tri City, as a "provincial capital," but the town could also serve at least temporarily as a "national" capital.

25X1

25X1

Establishment of a capital, of course, would be designed to underscore the PRG's "legitimacy" in international circles as well as to counter the argument that the PRG has none of the formal trappings of a government.

\* \* \*

The level of military violence throughout the country has increased significantly during the past three days, with action especially heavy in the delta. A major battle was fought about 40 miles southwest of Saigon in Dinh Tuong Province, where the South Vietnamese suffered 29 killed, 53 wounded, and 15 missing.

**FOR THE PRESIDENT ONLY**

**FOR THE PRESIDENT ONLY**

## **INTERNATIONAL MONETARY DEVELOPMENTS**

The dollar continued its sharp decline yesterday in light trading on European markets. In West Germany the dollar closed 6 percent below the mark-dollar rate of a week earlier. The pound sterling also rose sharply against the dollar and gold continued its marked advance to \$123.50 on the London market, up \$5.75 since last Friday.

All of the major European currencies have now appreciated sharply against the dollar. The German mark has made the strongest gain, advancing 8.5 percent since March 19. The Japanese yen, on the other hand, has risen only 0.3 percent since March.

Despite the substantial appreciation of European currencies, there has been little official reaction. The strength of the present economic boom in Europe has lessened European concern about the impact of falling dollar prices on their trade position. Growing domestic demand will presumably be adequate to compensate for losses in foreign sales. The present system of floating exchange rates has also eliminated the need for unpopular central bank intervention in support of the dollar.

European bankers are now fearful that the dollar will continue to move downward for some time. Even though economic indicators have disclosed no substantial new negative factors recently, concern over US political and economic stability, rising speculative interest in gold, and ebbing confidence in the dollar as a reserve and trading vehicle are continuing to weaken the dollar.

**FOR THE PRESIDENT ONLY**

**FOR THE PRESIDENT ONLY**

**LIBYA**

The take-over of radio and television stations by government-backed popular committees last weekend is part of Qadhafi's continuing effort to promote his "cultural revolution" and to silence domestic critics of the scheduled merger with Egypt on September 1. Qadhafi has long been concerned that the stations did not have sufficient revolutionary fervor; his move may have been triggered by their coverage of an interview in which Tunisian President Bourguiba expressed skepticism about the merger.

Since Qadhafi launched his campaign in April to give the people a greater sense of participation in the "revolution," popular committees have been formed in most government institutions, public utilities, and private companies. Some, in fact, seem solely concerned with rooting out "subversives." In the largely American-owned oil companies they have demanded the dismissal of certain employees and the promotion of others. Qadhafi has promised to arm the committees, but has not yet done so.

The US Embassy reports that the cultural revolution has disrupted life in the capital and that government functionaries avoid making decisions for fear of making the wrong one. Rumors of arrests have contributed to the confusion and uncertainty, although Qadhafi claims that only a few students, Communists, and members of the Muslim Brotherhood have actually been jailed.

**FOR THE PRESIDENT ONLY**

**FOR THE PRESIDENT ONLY**

**USSR-IRAQ**

Several recent incidents are troubling the generally warm relations between Moscow and Baghdad.

--An Iraqi official has publicly advocated closer ties with international oil companies and consumer countries.

25X1

--Two weeks ago Iraq closed the Soviet, East German, and Czechoslovak cultural centers because reciprocal rights had not been granted. The Soviet and Czechoslovak centers have now reopened

25X1

25X1

25X1

*These moves seem mainly to mark Iraqi efforts to remind Moscow of Baghdad's continuing independence, despite closer economic and military relations. Baghdad may also be miffed by Soviet efforts to court Iran--most recently shown by the reception given the Iranian war minister in Moscow yesterday.*

**FOR THE PRESIDENT ONLY**

*Top Secret*



# The President's Daily Brief

6 June 1973

45



~~Top Secret~~ 25X1

Exempt from general  
declassification schedule of E.O. 11652  
exemption category SRK(1)(2)(3)(4)  
declassified only on approval of  
the Director of Central Intelligence

**FOR THE PRESIDENT ONLY**

**THE PRESIDENT'S DAILY BRIEF**

6 June 1973

**PRINCIPAL DEVELOPMENTS**

Peking's comments on Indochina this week stress economic development and compliance with the cease-fires and suggest that offers of aid are likely to be weighted on the civilian side. (Page 1)

Increased fighting may break out in South Vietnam in the next few days as both sides try to gain advantage in anticipation of a tightening of the cease-fire. (Page 2)

25X1

The dollar staged a partial recovery late yesterday after falling to record lows. (Page 4)

Sino-Soviet frictions along the Far Eastern river boundaries have again risen with the spring thaw. (Page 5)

25X1

**FOR THE PRESIDENT ONLY**

EYES ONLY FOR THE PRESIDENT

CENTRAL INTELLIGENCE AGENCY  
WASHINGTON, D.C. 20505

**TOP SECRET**

June 6, 1973

[Redacted]

25X1

**TOP SECRET**

EYES ONLY FOR THE PRESIDENT

EYES ONLY FOR THE PRESIDENT

**TOP SECRET**

25X1

25X1

25X1

**TOP SECRET**

EYES ONLY FOR THE PRESIDENT

**FOR THE PRESIDENT ONLY**

**CHINA - NORTH VIETNAM**

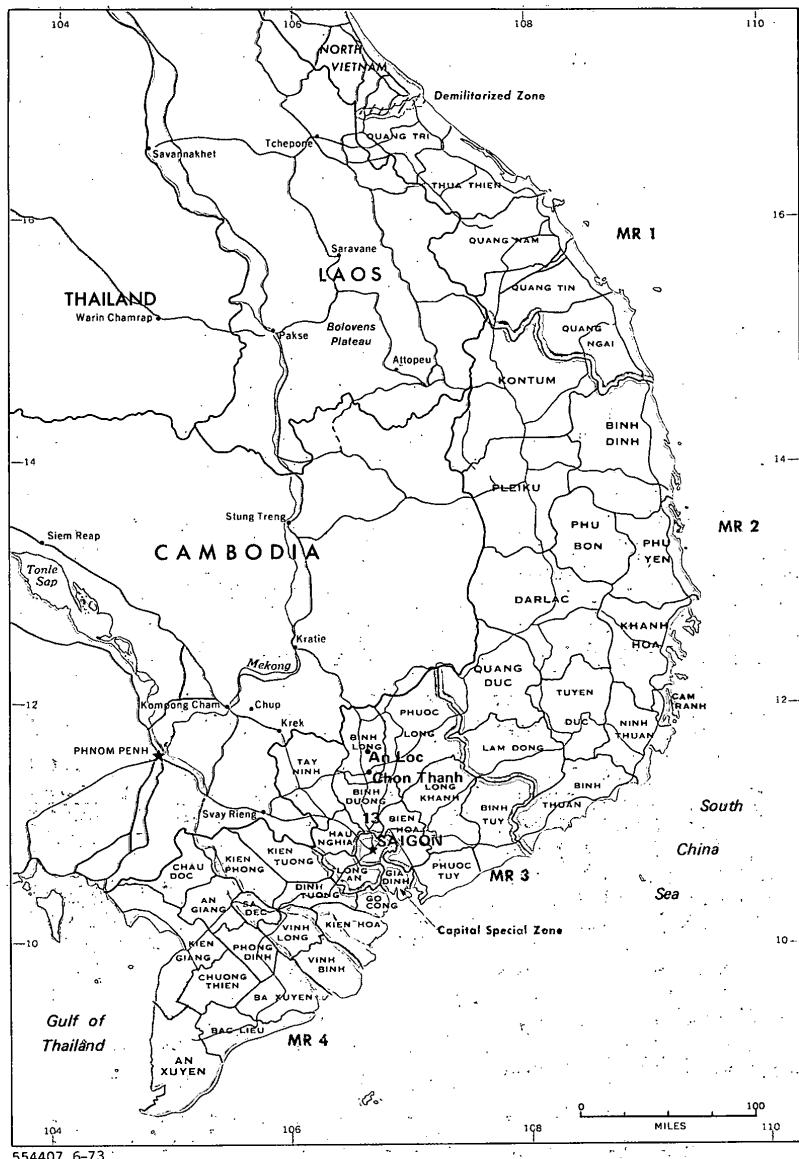
Chou En-lai's formal remarks at a banquet honoring Le Duan and Pham Van Dong suggest the general tack the Chinese are taking with their high-level North Vietnamese visitors.

Both his statement and a People's Daily editorial on Monday heavily stress Peking's view that the military phase of the struggles in Vietnam and Laos has ended. They reiterate the Chinese pledge to support North Vietnamese reconstruction and development. They also endorse Communist efforts "to bring about national concord" in South Vietnam and demand that Saigon and Washington comply with the cease-fire accords. The Chinese make much of their "solidarity" with North Vietnam, and the People's Daily editorial repeats the Chinese statement that "no force on earth can break this friendship."

Peking's stress on economic development and compliance with the cease-fires suggests that Chinese offers of aid are likely to be weighted on the civilian side. There have been earlier signs that Peking was considering cutbacks in military assistance.

The Chinese statements also show sensitivity to North Vietnamese concern that Peking may have slighted Hanoi's interests in its dealings with Washington. No doubt the Chinese will privately reaffirm their expressions of friendship. They are also likely to remind the North Vietnamese, as their statements strongly imply, that Peking also has its own interests to tend and that these may not always mesh with Hanoi's.

Peking's statements are vague with respect to Cambodia, but they suggest this issue will be high on the agenda.

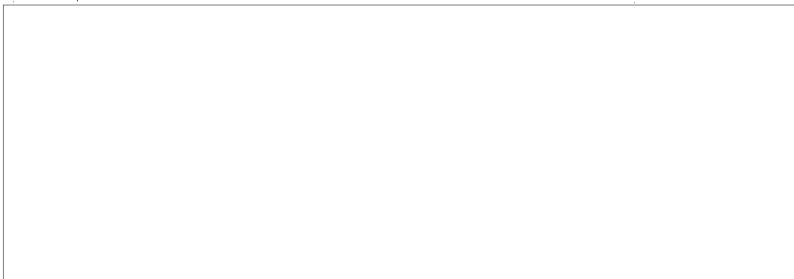


554407 6-73

**FOR THE PRESIDENT ONLY**

**SOUTH VIETNAM**

*Increased fighting may occur in some areas during the next few days as both sides jockey for position in anticipation of an announcement from Paris tightening the cease-fire agreement. Such fighting probably would be of limited duration and confined to a few strategic areas over which neither side has established clear lines of control.*



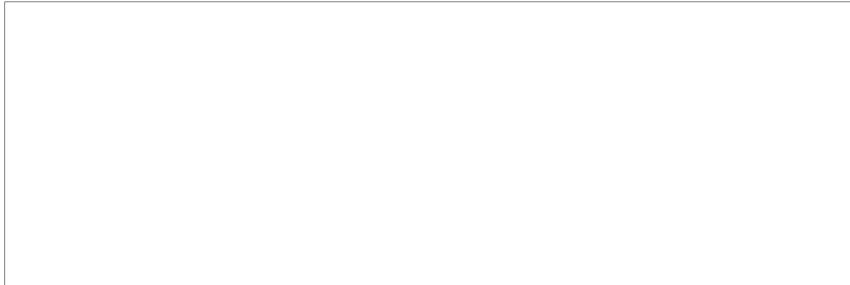
25X1

South Vietnamese forces in the delta and western highlands already are at work trying to push Communist units out of key base areas. Another possible troublespot could develop north of Saigon as a result of President Thieu's recent order to clear Route 13 from Chon Thanh to An Loc.

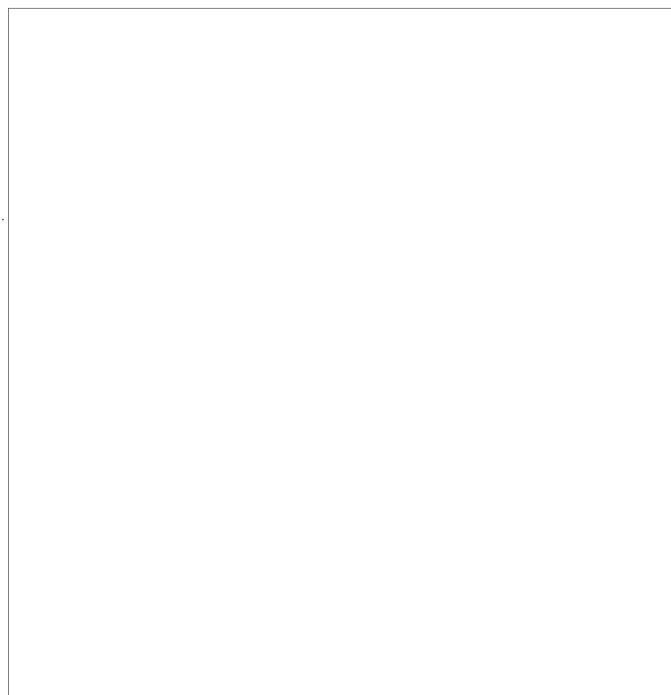
**FOR THE PRESIDENT ONLY**

*FOR THE PRESIDENT ONLY*

FRANCE



25X1



25X1

*FOR THE PRESIDENT ONLY*

**FOR THE PRESIDENT ONLY**

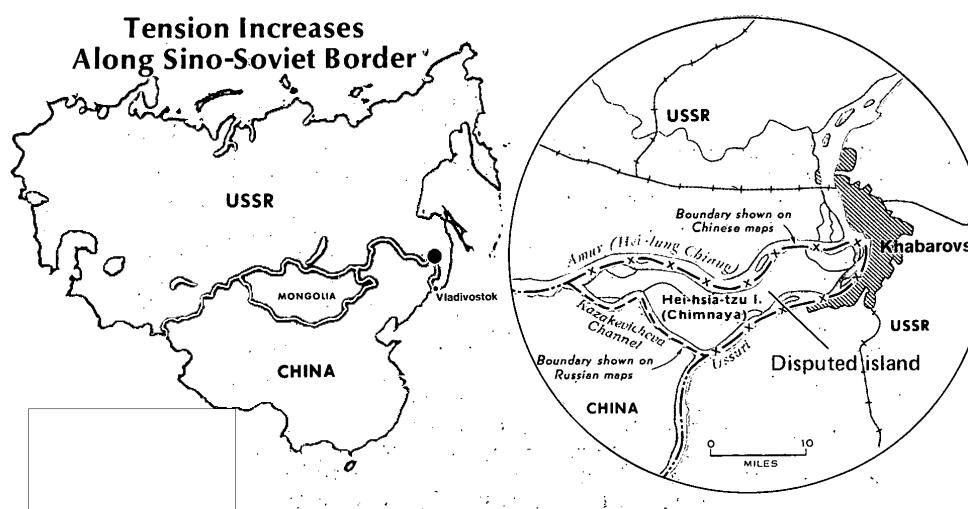
## INTERNATIONAL MONETARY DEVELOPMENTS

After falling to record lows in the Frankfurt, Zurich, and Brussels exchanges, the dollar staged a partial recovery late yesterday and closed only slightly below Monday's rates. Gold rose to a record level of \$127 in London before backing off to \$126, still up \$2.50 from Monday. As a consequence of the recent monetary flurry, Finland and South Africa have effectively revalued their currencies.

Despite the continuing depreciation of the dollar, there has been little central bank intervention. The high dollar demand in Japan, however, has forced Tokyo to resume its dollar sales in an effort to maintain the value of the yen.

*The sharp appreciation in the mark has upset the assumption of the February and March currency settlements that the yen would appreciate more than the German mark in relation to the dollar.*

**FOR THE PRESIDENT ONLY**



25X1

*FOR THE PRESIDENT ONLY*

**USSR-CHINA**

Frictions over the Far Eastern river boundaries have again increased with this year's spring thaw. The sharpest dispute concerns the large Soviet-occupied island at the confluence of the Amur and Ussuri rivers which dominates the major Soviet city of Khabarovsk.

25X1

25X1  
25X1

Other sections of the long frontier are relatively quiet, although reports of occasional trouble continue. The Soviet paper Rural Life reported a shooting in the Pamirs that involved several casualties--only the second time since the open fighting in 1969 that Moscow has publicized a border incident.

25X1

[redacted] the impression from local residents that minor incidents, sometimes involving gunfire, occur about every seven to ten days.

25X1

*FOR THE PRESIDENT ONLY*

**FOR THE PRESIDENT ONLY**

**NOTES**

USSR:

25X25X1

Malaysia-Philippines: Malaysian and Philippine negotiators have reached a preliminary understanding under which Manila will drop its claim to Sabah in return for a pledge by Malaysia and Indonesia to "render positive assistance" in ending the Philippine Muslim insurgency. Ratification may prove difficult, however. President Marcos may decide he cannot renounce the Sabah claim without losing face. For their part, the Malaysians still refuse to disavow the insurgents, claiming this would imply a link that does not exist.

China-Pakistan:

25X1

**FOR THE PRESIDENT ONLY**

*Top Secret*



# The President's Daily Brief

7 June 1973

45



~~Top Secret~~ 25X1

Exempt from general  
declassification schedule of E.O. 11652  
exempted by authority of 17 CFR 200.47  
declassified only on approval of  
the Director of Central Intelligence

**FOR THE PRESIDENT ONLY**

**THE PRESIDENT'S DAILY BRIEF**

7 June 1973

**PRINCIPAL DEVELOPMENTS**

COSVN reportedly has issued new instructions for a Communist effort to capture selected targets in South Vietnam, possibly between June 7 and 10.  
*(Page 1)*

West Germany has completed its ratification of the East - West German basic treaty, and if the East German parliament follows suit next week as expected, the Bavarian court challenge to the treaty could become moot. *(Page 2)*

25X1

French

25X1

*(Page 3)*

25X1

The Soviets have taken at least 52 of their ICBM silos out of service for modernization. *(Page 4)*

On *Page 5*, we assess the recent assassination of a US Army adviser by Iranian terrorists.

**FOR THE PRESIDENT ONLY**



554412 6-73

***FOR THE PRESIDENT ONLY*****SOUTH VIETNAM**

COSVN reportedly has issued new instructions for a Communist effort to capture selected targets in South Vietnam before any "new cease-fire" takes effect. The exact timing of the attacks has not been set, pending developments in Paris, but they may occur some time between June 7 and 10.

The Communists hope to hold any gains they make until a formal delineation of territory between the Viet Cong and the South Vietnamese takes place. The targets involved, [redacted] will include many of those the Communists tried unsuccessfully to capture last January. [redacted] implied the attacks would be countrywide, the only specifics [redacted] were attacks against villages and highways north and west of Saigon.

25X1

25X1

25X1

25X1

If attacks occur in that area, heavy fighting could develop because the Communists have units equal to more than three divisions located there.

The Communists also have strong forces in northern South Vietnam/

[redacted] Farther south, in Military Region 2, the Communists have been occupied with a major government counter-attack in Kontum Province. There have been no major new developments along the coast in volatile Binh Dinh Province.

25X1

In the Delta, some increased activity has begun in Chuong Thien Province, where the Communists are fairly strong. Elsewhere in the delta, the Communists do not appear to pose a serious threat to the government's control.

Except for the reported new instructions from COSVN, there are no positive signs of enemy preparations for a land grab in the next few days. The Communists are still capable, however, of launching fairly widespread attacks in several areas of South Vietnam with little or no warning.

**FOR THE PRESIDENT ONLY**

**WEST GERMANY - EAST GERMANY**

President Heinemann yesterday signed the implementing legislation on the East - West German basic relations treaty, thus completing ratification in West Germany. Heinemann did so after the Constitutional Court decided on June 5 not to issue an injunction sought by the Bavarian state government that would have prohibited signature until the court ruled on the treaty's constitutionality.

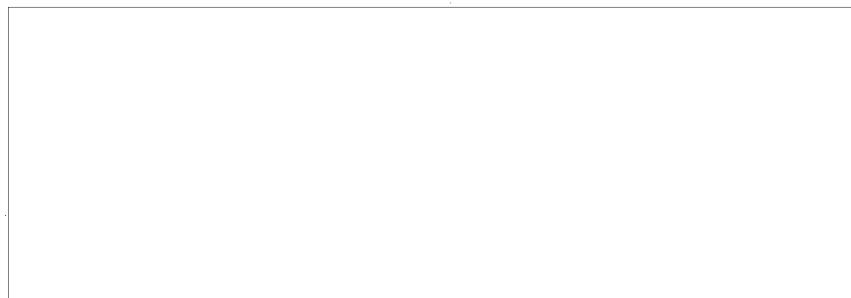
*The court did agree to rule on the pact's constitutionality by July 31. The East German parliament is expected to ratify the agreement next week. The only step left after that is to exchange instruments of ratification. If this step should be taken before the court rules, Bavaria's case would become moot because the court is not competent to rule on agreements in force.*

25X1

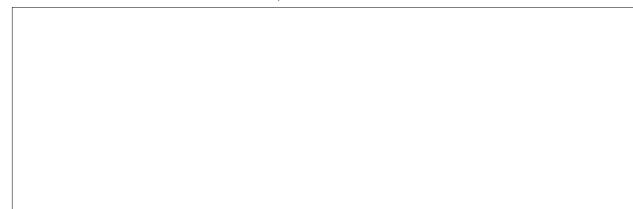
**FOR THE PRESIDENT ONLY**

*FOR THE PRESIDENT ONLY*

FRANCE-LIBYA-EGYPT



25X1



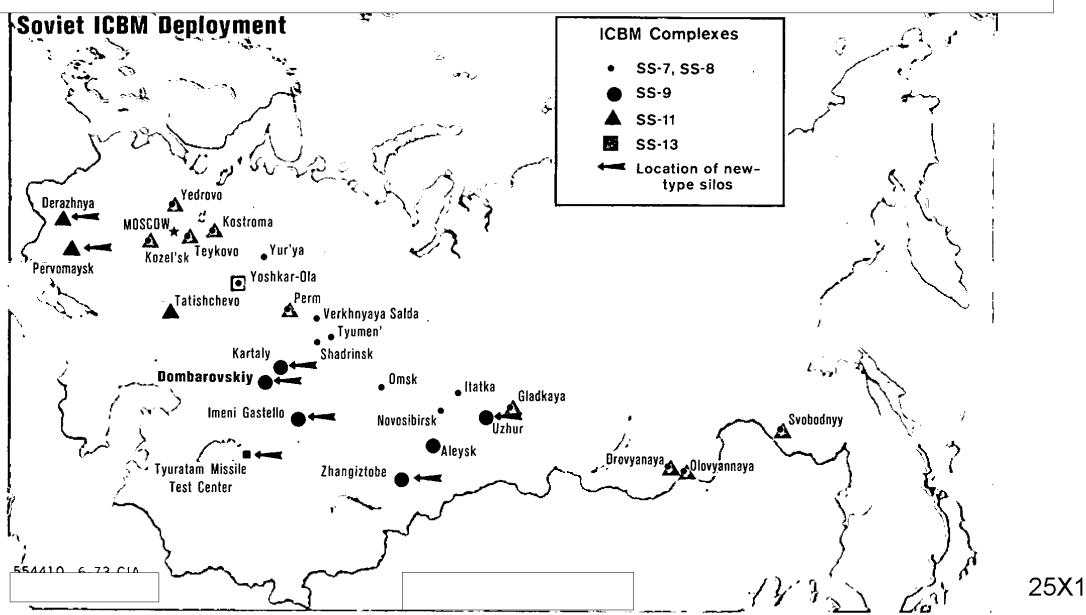
25X1



25X1

*FOR THE PRESIDENT ONLY*

25X1



25X1

*FOR THE PRESIDENT ONLY*

USSR

[redacted] at least  
52 ICBM silos are out of service for modernization.  
It appears that a total of 50 SS-11 silos at  
Olovyanaya, Drovyanaya, and Svobodnyy in the east-  
ern USSR are being prepared for the SS-11 Mod 3, a  
multiple re-entry vehicle system that carries three  
warheads. None of the SS-11 silos are being con-  
verted to the configuration of the new small silos  
seen at the Derazhnya and Pervomaysk ICBM complexes.

25X1

At the Dombarovskiy SS-9 complex, two silos  
are being extensively modified. The missile that  
will be emplaced here--the SS-X-18--is in an early  
stage of development and probably will not be ready  
before 1975.

*FOR THE PRESIDENT ONLY*

**FOR THE PRESIDENT ONLY**

**IRAN-US**

The assassination last Saturday of a US Army adviser by Iranian terrorists probably was intended to focus attention on US-Iranian military cooperation at a time when local critics are deplored the Shah's recent \$2.5-billion order for US arms. The attack may also have been related to the execution of eight terrorists a week earlier and the current trial of seven guerrillas charged with attempting to kidnap Ambassador MacArthur in 1971.

The adviser almost certainly was chosen because he was an easier target than Ambassador Helms or other members of the Embassy staff. Also, as one of some 580 US military advisers in Iran, he was probably viewed as a representative of the expanding US role in equipping and training the Shah's armed forces.

Although the government reacted quickly and has bolstered security around US installations, further attacks on US military personnel would be almost impossible to prevent.

**FOR THE PRESIDENT ONLY**

**FOR THE PRESIDENT ONLY**

25X1

NOTES

USSR:

25X1

Egypt - Saudi Arabia:

25X1

25X1

The Yemens: Merger negotiations between Sana and Aden, in progress since last November, are breaking down as a result of a steadily growing campaign of sabotage and terrorism that Aden has been conducting against the Sana Government for several months.

25X1

Sana's regular armed forces are too weak to permit a broader military response. Sana authorities will, however, continue the trials of Adeni saboteurs arrested in early May, and Aden is expected to continue its subversive campaign. The prospects for an increased level of hostilities are high; prospects for union could hardly be lower.

25X1

25X1

**FOR THE PRESIDENT ONLY**

*Top Secret*



# The President's Daily Brief

8 June 1973

45



~~Top Secret~~ 25X1

Exempt from general  
declassification under E.O. 11652  
exemption category SR1(1)(2)(3)  
declassified only on approval of  
the Director of Central Intelligence

**FOR THE PRESIDENT ONLY**

**THE PRESIDENT'S DAILY BRIEF**

8 June 1973

**PRINCIPAL DEVELOPMENTS**

In South Vietnam, there is fresh fighting as both sides are trying to consolidate their control over territory. (Page 1)

President Thieu's Democracy Party has scored impressively in South Vietnamese village council elections. (Page 2)

Foreign Minister Zayyat has hinted that there may be some give in Egypt's position on negotiations with Israel. (Page 3)

South Africa is going into the business of uranium enrichment. (Page 4)

A North Vietnamese infiltration group has left for Laos. (Page 5)

Khmer Communists are having difficulty coordinating their attacks near Phnom Penh. (Page 5)

**FOR THE PRESIDENT ONLY**



25X1

**FOR THE PRESIDENT ONLY**

**SOUTH VIETNAM**

There has been an increase in local military actions as both sides move to consolidate positions before a possible delineation of territorial control.

Activity is greatest in the delta provinces, where Communist and South Vietnamese forces are vying for control over portions of long-time enemy bases. North Vietnamese forces roughly handled a government Ranger battalion in a contested area near the provincial capital of Chuong Thien on June 5, and sporadic clashes are continuing. Farther north, South Vietnamese regulars have established a presence in a Viet Cong base area in the Kien Tuong - Dinh Tuong border region following several days of stiff Communist resistance.

North of Saigon, government efforts to reopen Route 13 between Lai Khe and An Loc have made limited progress. South Vietnamese military analysts are concerned that the Communists might counter with an attack against or near Tay Ninh City within the next few days.

*The Communist "land grab" attacks in key areas, plans for which have been reported by a number of sources, have not yet materialized. The delay is presumably related to the status of the talks in Paris.*

Little significant ground action has been reported in the northern half of the country, but Communist shellings have increased somewhat. North Vietnamese gunners continue to direct artillery and rocket fire against government clearing efforts in Kontum Province. Communist mortar barrages and some ground attacks have occurred along the coast as well as west of Hue.

**FOR THE PRESIDENT ONLY**

**FOR THE PRESIDENT ONLY**

**SOUTH VIETNAM**

The Thieu government is continuing its efforts to strengthen its administrative control at the grass roots level. Village council elections are proceeding throughout the country and President Thieu's Democracy Party has generally scored impressive victories. In some 200 elections held in the Mekong Delta, Democracy Party members won about 80 percent of the contests.

The party is undoubtedly benefiting from the pro-government sentiment since the cease-fire. In addition, the tight control exercised by local officials has led numerous independents and opposition politicians to refuse to run. A few elections have been postponed, either because there were not enough candidates on the ballot or because officials believed that Viet Cong influence was too strong.

*Political figures outside the government have generally reacted mildly to the Democracy Party's successes. Some leaders of independent parties that have lost members to Thieu's new grouping are unconcerned because they believe the winners will remain loyal to their original parties. For his part, Thieu presumably believes that the need to strengthen the government's position at the local level is worth the risk of antagonizing his opponents.*

**FOR THE PRESIDENT ONLY**

**FOR THE PRESIDENT ONLY**

**EGYPT**

Egyptian Foreign Minister Zayyat, during Wednesday's UN debate, said that Egypt would agree to direct negotiations with Israel without preconditions, were it not for Israel's rejection of a total withdrawal from the occupied territories. Since the speech, Egyptian representatives at the UN have been urging US diplomats not to read too much into Zayyat's statement.

*One way to read the statement would be that it could indicate some give in Egypt's position. The statement did not appear in the prepared text of the speech, but was added by Zayyat himself prior to delivery.*

25X1



However, the careful hedging of Zayyat's words and the cautionary remarks made by Egypt's delegates to the UN indicate that the Egyptians at this point do not want to be considered as committed to direct negotiations under any formula. Indeed, qualified as it was, Zayyat's statement could have been intended merely to back up his contention that Israel is obstructing movement toward a settlement.

**FOR THE PRESIDENT ONLY**

**FOR THE PRESIDENT ONLY**

## SOUTH AFRICA

The government recently announced plans to begin work on a commercial-sized uranium enrichment plant. The plant is scheduled for completion in the early 1980s at a cost of about \$785 million, and would employ a still secret process that South Africa claims is unique. Pretoria has had little success in its search for financial assistance from other countries for the construction of the plant because of its unwillingness to give out any information about the new process.

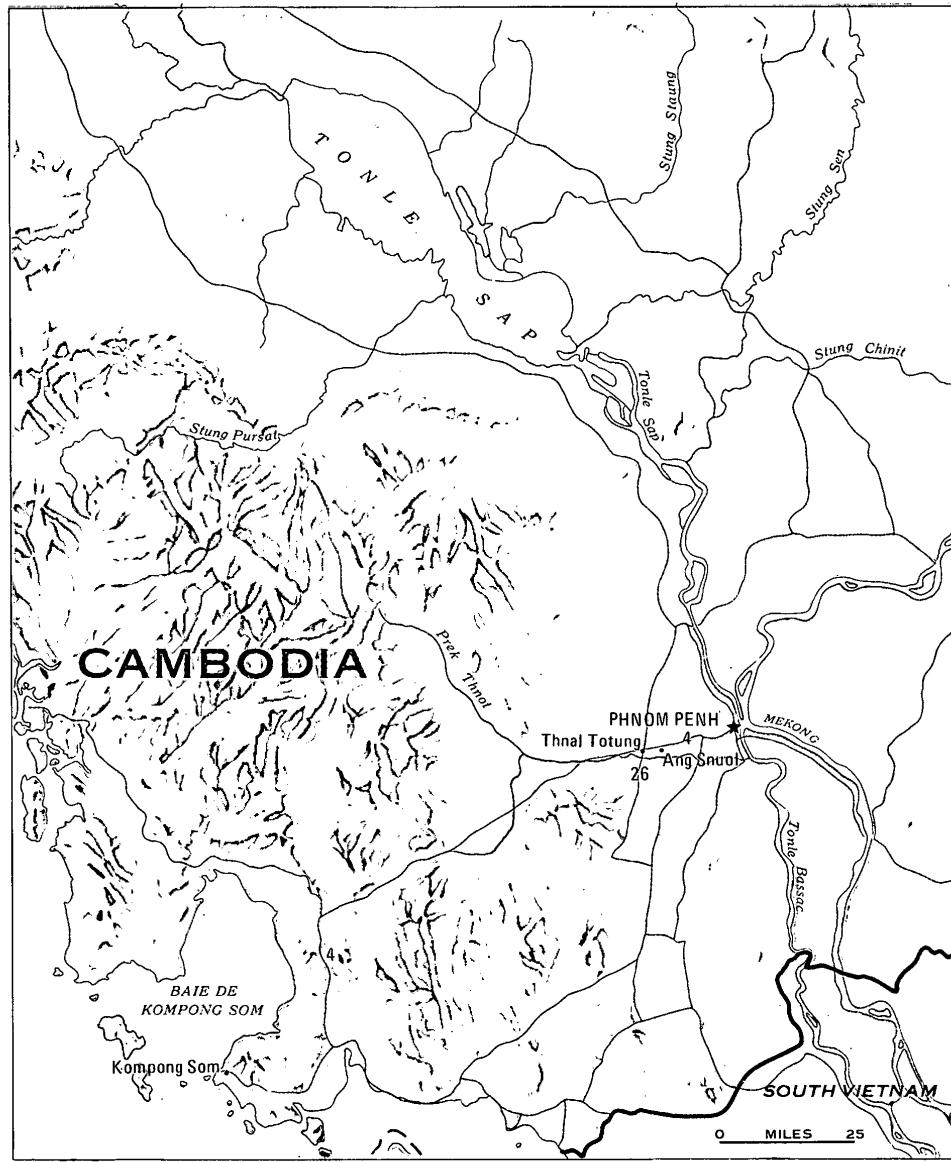
The South Africans claim that the new method will be competitive with those already in use by other countries; analysis of their data would suggest a selling price of about \$36.60 per unit, as opposed to the US price of \$38.50.

*The economic advantages claimed by the South Africans for their process seem primarily to be based on low capital, maintenance, and power costs. A plant of comparable capacity based on US technology would cost more than \$1 billion, for example.*

*South Africa does not now produce enough uranium to operate the proposed plant at capacity, but deposits in South-West Africa should ensure an adequate supply by the time the plant is built. The country's entry into the enrichment market would ease an anticipated world shortage of enrichment capacity in the 1980s.*

A pilot uranium enrichment plant being built near Pretoria since 1970 is now nearing completion.

**FOR THE PRESIDENT ONLY**



554415 6-73

*FOR THE PRESIDENT ONLY*

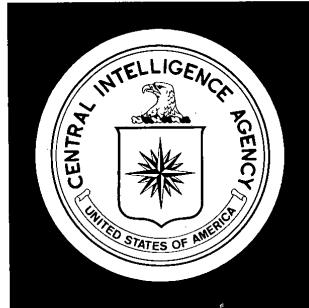
**NOTES**

Laos: An intercept indicates that an infiltration group of unknown size was scheduled to leave North Vietnam for the Plaine des Jarres area yesterday. This is the first group noted leaving for northern Laos since last November, but its group designation number suggests that several more have already departed undetected.

Cambodia: Khmer Communist forces are maintaining pressure some 12 miles west of Phnom Penh against a short stretch of Route 4 between the villages of Thnal Totung and Ang Snuol. A few miles south of Thnal Totung, Communist troops have cut Route 26. An intercept indicates that the Khmer Communists are having difficulty coordinating their attacks in the vicinity of Route 4, and that some units assigned to the operation are still not in place. A Mekong resupply convoy arrived safely in Phnom Penh yesterday, encountering only minor harassing fire in its passage up the river from South Vietnam.

*FOR THE PRESIDENT ONLY*

*Top Secret*



# The President's Daily Brief

9 June 1973

45



~~Top Secret~~ 25X1

Exempt from general  
declassification schedule of E.O. 11652  
exemption category 5B(1), (2), (3)  
declassified only on approval of  
the Director of Central Intelligence

**FOR THE PRESIDENT ONLY**

**THE PRESIDENT'S DAILY BRIEF**

9 June 1973

**PRINCIPAL DEVELOPMENTS**

Le Duan's trip to Peking this week produced an agreement on Chinese economic and military assistance to North Vietnam, but it may have been a disappointment to Hanoi. (Page 1)

[Taiwan]

25X1

(Page 2)

The EC foreign ministers have agreed to reconvene next month to give further consideration to a joint response to the US bid for a restatement of principles governing US-European relations. (Page 3)

[ ] leaders of Chile's Popular Unity coalition are in touch with General Prats about bringing the military back into the cabinet. (Page 4)

25X1

In Greece, the new republic will be organized around a strong presidency, after the model of the French political system. (Page 5)

Franco's formal relinquishment of his position as premier appears to be an attempt to restore cohesion in the Spanish Government. (Page 6)

**FOR THE PRESIDENT ONLY**

**FOR THE PRESIDENT ONLY**

**CHINA - NORTH VIETNAM**

Le Duan's trip to Peking this week produced an agreement on Chinese economic and military assistance, but it may have been a disappointment to Hanoi. North Vietnam almost certainly argued for a heavy commitment of military aid, at least until the situation has stabilized. The new pact will of course include some military aid, but the order of priorities listed in the announcement indicates that the package favors the civilian side.

*There have been earlier signs that Peking was considering cutbacks in military assistance, presumably as a way of ensuring closer compliance with the cease-fire agreements. Speeches in the course of the visit signaled some friction: the Chinese stressed that the Vietnamese should be patient and respect the agreements; Le Duan underlined the difficulties ahead and blamed the allied side for current problems.*

**FOR THE PRESIDENT ONLY**

*FOR THE PRESIDENT ONLY*

CHINA-TAIWAN



*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

## EUROPEAN COMMUNITIES

The EC foreign ministers agreed earlier this week to reconvene next month to give further consideration to a joint response to the US bid for a restatement of principles governing US-European relations. Before reaching agreement, however, they had to contend with persistent French attempts to minimize any coordination of foreign policy among the EC Nine.

French Foreign Minister Jobert [redacted]

25X1

insisted Paris would oppose an Atlantic summit in connection with President Nixon's visit to Europe.

Under pressure from the eight other ministers, the French accepted the meeting next month. In the meantime, the members plan to discuss various questions bilaterally with the US.

*EC members, particularly the French, are still worried that the US may try to extract concessions in trade and monetary matters in return for continued military and political support.*

*FOR THE PRESIDENT ONLY*

**FOR THE PRESIDENT ONLY**

**CHILE**

[redacted] Popular Unity co-alition leaders are in touch with General Prats about bringing the military back into the cabinet.

25X1

[redacted]

25X1

Allende presumably believes that bringing Prats back into the government will help him cope with the current strikes and other manifestations of widespread unrest.

Prats, spurred by his own presidential ambitions, would probably accept. Since the army hierarchy reportedly has insisted to Prats that the military be given all the cabinet posts--something the coalition would not accept--Prats may be willing to quit the army and rejoin the government as a civilian. He is known to be disenchanted by the obstructionist tactics of both the civilian politicians and military officers who oppose the government. He may believe that he can play a key role in restoring order and even in moderating some government policies.

The coalition parties are divided over the military's return. The Socialists, who forced the military out after the elections last March, still want to keep them out. The Communists welcome the prospect of help from the military in cracking down on the increasingly troublesome opposition. Both parties, however, mistrust Allende's motives in currying military support, fearing that it will reduce his dependence on the coalition parties.

**FOR THE PRESIDENT ONLY**

**GREECE**

The new republic will be organized around a strong presidency, after the model of the French political system. A president will be elected for a single seven-year term. He will choose the premier and 20 of the 200 members of parliament, but these members will not be able to vote on policy issues or participate in votes of confidence.

*The president's term is expected to begin on April 21, 1974--the seventh anniversary of the 1967 coup. The people will reportedly be asked to vote for the president as part of next month's referendum sealing the creation of the republic; Prime Minister Papadopoulos is expected to be the only candidate. Parliamentary elections have not yet been scheduled, but should come before the end of 1974.*

**FOR THE PRESIDENT ONLY**

**FOR THE PRESIDENT ONLY**

**SPAIN**

Franco has formally relinquished his position as premier to his deputy, Admiral Luis Carrero Blanco.



25X1

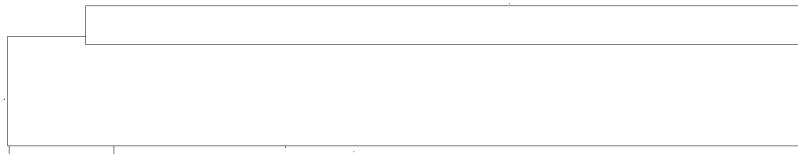
[redacted] He retains his two other top positions as chief of state and supreme commander of the armed forces. There is also no change in the position of Prince Juan Carlos who is still slated to take over as chief of state when Franco dies or is incapacitated.

25X1

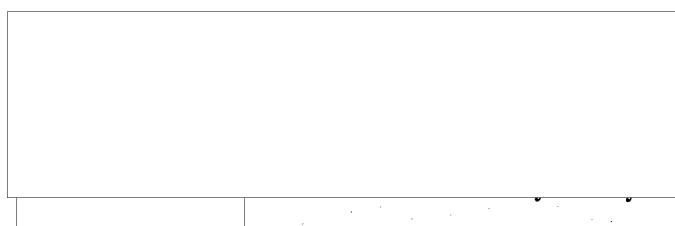
Franco, by naming Carrero premier now, appears to be attempting to restore cohesion in the government. This tightening-up process will probably lead to the appointment of more rightists to the cabinet. The result is likely to be a turn to the right in domestic policy.

*FOR THE PRESIDENT ONLY*

NATIONALIST CHINA



25X1  
25X1



25X1  
25X1

25X1

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

NOTE

Japan:

25X1

25X1

*FOR THE PRESIDENT ONLY*

*Top Secret*



# The President's Daily Brief

11 June 1973

45



25X1  
Top Secret

Exempt from general  
declassification schedule of E.O. 11652  
exemption category 5B(1)(J)(2),  
declassified only on approval of  
the Director of Central Intelligence

**FOR THE PRESIDENT ONLY**

**THE PRESIDENT'S DAILY BRIEF**

11 June 1973

**PRINCIPAL DEVELOPMENTS**

In South Vietnam, military activity increased sharply over the weekend, although the Communists have not yet launched a general "land-grab" campaign. (*Page 1*)

Venezuela is mounting a major diplomatic effort to relax OAS restrictions against Cuba and may seek a special session this week of the OAS Permanent Council. (*Page 2*)

**FOR THE PRESIDENT ONLY**



25X1

554417 6-73 CIA

**FOR THE PRESIDENT ONLY**

**SOUTH VIETNAM**

Military activity increased sharply over the weekend, as both sides jockeyed for position in anticipation of new cease-fire arrangements. The Communists have not yet launched a general "land-grab" campaign, as they did last January, but there are persistent reports that such an eleventh-hour effort is planned.

Most of the current activity is in the delta, with fighting reported in almost every province. Sharp fighting persists in Chuong Thien and Dinh Tuong provinces, where both sides are conducting spoiling operations close to long-established Communist base areas.

North of Saigon, government defenders at An Loc, with the help of heavy air and artillery support, repulsed a tank-led Communist attack on June 9. The Communists also shelled both An Loc and Lai Khe and have thwarted government efforts to reopen Routes 13 and 1A.

In Kontum Province, North Vietnamese troops occupied a village near the provincial capital following a dispirited defense by government territorial forces. Military Region 2 commander General Toan sent two battalions of regulars to the area and has ordered air strikes against Communist artillery positions. Along the coast, the North Vietnamese have harassed outlying positions in Binh Dinh and Quang Ngai provinces and pushed back a government ranger unit in Quang Nam.

Fighting in many portions of the northern provinces appears to have resulted from government operations that, in some instances, are being conducted in territory tacitly left under Viet Cong control for several years. Communist actions in this area may be aimed at securing staging areas closer to the populous coastal zone.

**FOR THE PRESIDENT ONLY**

**FOR THE PRESIDENT ONLY**

**VENEZUELA-CUBA-OAS**

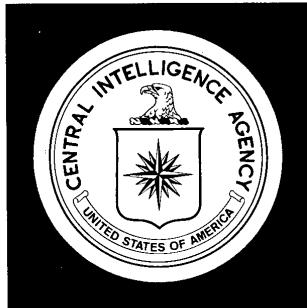
Venezuela is mounting a major diplomatic effort to relax OAS restrictions against Cuba and may seek a special session of the OAS Permanent Council in Washington this week to consider the matter.

*The initiative is unlikely to muster the two-thirds vote required to lift the restrictions, but any vote at this time would be closer than it was last year when Peru tested the issue. Venezuela could conceivably achieve a simple majority favoring its initiative, which would leave each member country free to make its own decision on the application of sanctions against Cuba.*

*The Venezuelan effort is motivated primarily by domestic political considerations. President Caldera apparently believes the lifting of sanctions is popular among Venezuelan voters and that the initiative would strengthen his party's position in the presidential elections scheduled for December.*

*Regardless of the outcome, Venezuela will probably move fairly soon to re-establish diplomatic and commercial relations with Cuba. This, together with a similar move by Argentina last month, will be interpreted by Havana as further proof that its attempts to widen the gap between the US and Latin America are succeeding.*

*Top Secret*



# The President's Daily Brief

12 June 1973

45



~~Top Secret~~ 25X1

Exempt from general  
declassification guidelines 1.0 311652  
exemption category 5B(1)(2)(3)  
declassified only on approval of  
the Director of Central Intelligence

**FOR THE PRESIDENT ONLY**

**THE PRESIDENT'S DAILY BRIEF**

12 June 1973

**PRINCIPAL DEVELOPMENTS**

The communiqué issued after Le Duan's visit to China signals some significant adjustments in Sino - North Vietnamese relations. (Page 1)

China

25X1

(Page 2)

Italian Prime Minister Andreotti's resignation this morning opens the way to renewed Christian Democratic collaboration with the Socialists. (Page 4)

Libya's President Qadhafi is pressing US oil companies to comply with his demands or be nationalized. (Page 5)

Libya

Algeria

25X1

(Page 6)

The Soviets have not responded to Japanese Prime Minister Tanaka's announcement that he will visit the USSR in September. (Page 7)

**FOR THE PRESIDENT ONLY**

**FOR THE PRESIDENT ONLY**

**CHINA - NORTH VIETNAM**

The communiqué issued at the end of Le Duan's and Pham Van Dong's visit to China contains warm words of praise for the great friendship between the two countries, but also reflects a good deal of hard bargaining. Indeed, on one important point--the implementation of the Paris accord--the two sides apparently could not agree on language.

The section dealing with the accord contains unilateral North Vietnamese and Chinese statements, a format reminiscent of the US-China communiqué last year. Hanoi's statement is full of harsh criticism of the US and Saigon, which are blamed for all shortcomings in implementation. The Chinese section merely praises the Vietnamese Communists' "efforts" to implement the accords and states that Peking supports their efforts to "consolidate the peace in Vietnam and safeguard the results already gained." There is no condemnation of the US or its allies, and the language suggests that the sort of backing the Chinese are prepared to give the North Vietnamese in the future is sharply limited.

Chinese aid may also have been a contentious subject. The North Vietnamese are full of praise for past Chinese support, and the Chinese say they will fulfill their "internationalist duty" by helping the Vietnamese Communists "safeguard and consolidate peace, build socialism in the North, achieve independence and democracy in the South," and eventually achieve reunification. North Vietnamese expressions of gratitude for future aid are strikingly absent, however.

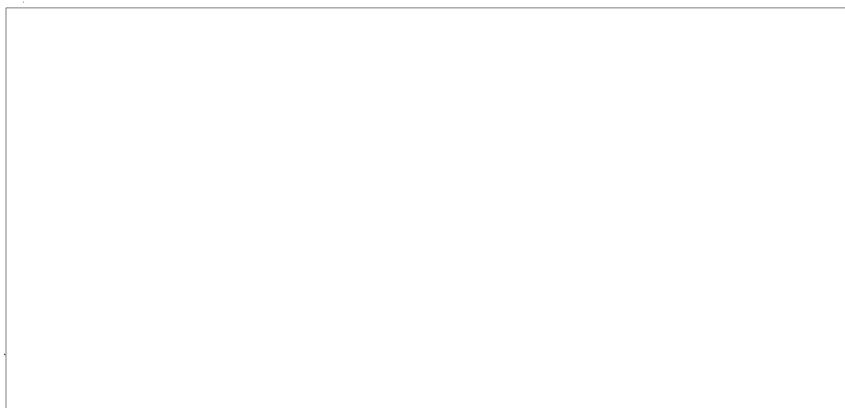
*Taken as a whole, the communiqué strongly suggests that there have been some significant adjustments in Sino - North Vietnamese relations as a result of the visit, both on a general level and in regard to the nature of an Indochina settlement. The cloudy language of the communiqué, however, leaves the specific nature of that adjustment in some doubt.*

Le Duan and Pham Van Dong are now back in Hanoi after only a brief tour of the Chinese countryside. Further travel by Le Duan seems unlikely, but a ceremonial junket by Pham Van Dong to Hanoi's other benefactors remains possible.

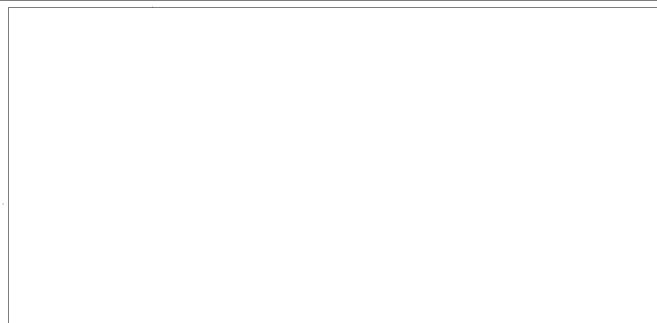
**FOR THE PRESIDENT ONLY**

*FOR THE PRESIDENT ONLY*

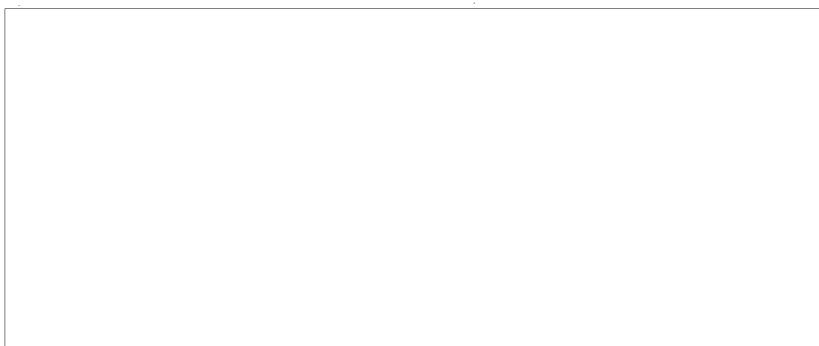
CHINA



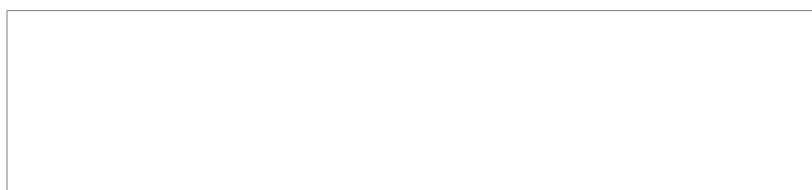
25X1



25X1



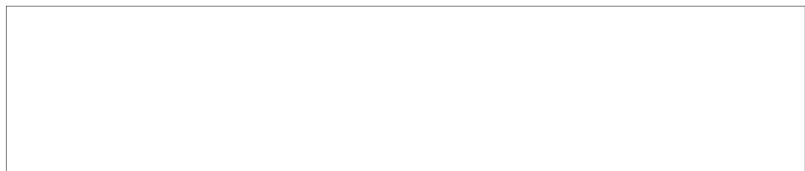
25X1



25X1

*FOR THE PRESIDENT ONLY*

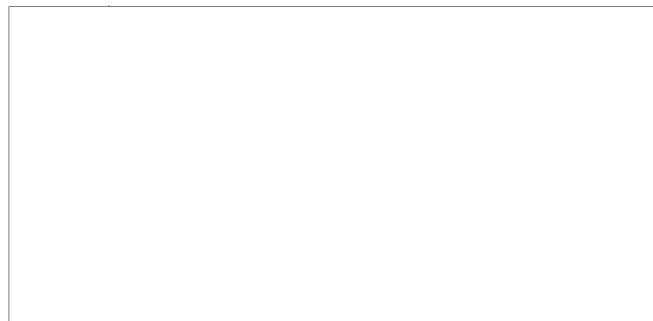
***FOR THE PRESIDENT ONLY***



25X1



25X1



25X1

***FOR THE PRESIDENT ONLY***

**FOR THE PRESIDENT ONLY**

**ITALY**

Prime Minister Andreotti's resignation this morning opens the way for negotiations aimed at reviving Christian Democratic collaboration with the Socialist Party. The Socialists are receptive to a renewed partnership. Long and difficult bargaining, however, will be required to work out specific terms of another "opening to the left," especially the question of Socialist autonomy from the powerful Communist Party.

*Andreotti's year-old coalition, which included the conservative Liberal Party, was the first Italian Government to exclude the Socialists in nearly a decade.*

*Andreotti will probably remain head of a caretaker government during the negotiations. The Christian Democrats are scheduled to choose a new party secretary on Sunday; he will begin negotiations with the other parties next week on a new government. Interior Minister Rumor, a former center-left prime minister, is a reported front-runner to succeed Andreotti as prime minister, while veteran party leader Fanfani may become the new party secretary.*

**FOR THE PRESIDENT ONLY**

**FOR THE PRESIDENT ONLY**

**LIBYA**

President Qadhafi's anti-US harangue yesterday was primarily aimed at placing maximum pressure on US oil companies either to accept Libya's demands for 100-percent participation or be nationalized. Characteristically, Qadhafi linked the issue of US policy in the Middle East, and specifically US reconnaissance flights off the Libyan coast with the oil negotiations. He warned that the time had come to confront US "challenges" and implied that a major showdown with US oil companies is at hand.

*The Libyans rejected an offer by the companies for a 50-50 joint operating agreement earlier this week. In an attempt to maximize the impact of Qadhafi's speech, the Libyans set today as the deadline for counterproposals.*

*The nationalization of Bunker Hunt yesterday was obviously intended to underscore Qadhafi's threats, but the announcement is not likely to alarm the other companies. Bunker Hunt has been operating without a formal agreement since its former partner, British Petroleum, was nationalized in 1971, and company officials have been anticipating a take-over for some time. The company accounts for only 5 percent of Libyan oil production.*

*Despite Qadhafi's pressure, the major companies will probably be unwilling to go beyond their latest offer. If the major producers can convince the smaller companies to present a united stand, they may be successful in keeping the negotiations open.*

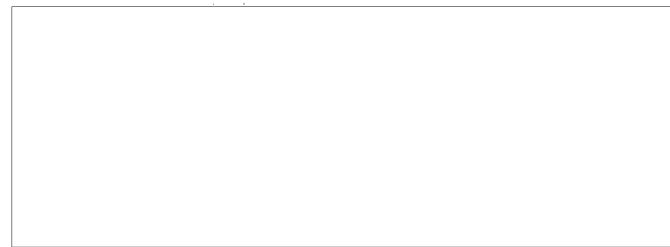
25X1

*FOR THE PRESIDENT ONLY*

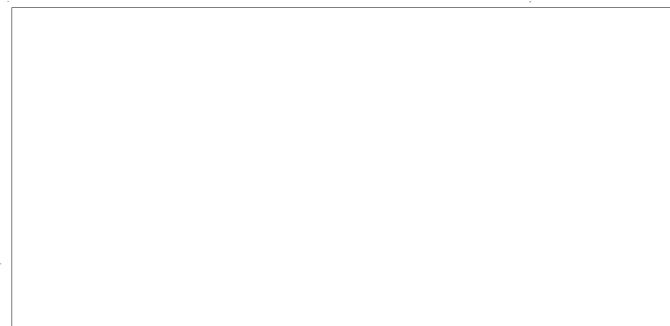
**LIBYA-ALGERIA**



25X1



25X1



25X1

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

NOTES

USSR-Japan: The Soviets thus far have not commented on Prime Minister Tanaka's announcement on Friday that he will visit the USSR sometime after September 20. 25X1

25X1

Recently, the Soviets have also slowed down the pace of their economic negotiations with the Japanese. Apparently Moscow believes that its talks with US and West European leaders about economic development projects in Siberia will put pressure on the Japanese to be more forthcoming when their discussions with the Soviets finally take place.

25X1

Iran-Iraq: The Shah has told Ambassador Helms that Iran is not now negotiating with Iraq and has no intention of doing so in the foreseeable future. There had been several reports recently that secret talks aimed at improving relations between the two countries were under way. Some preliminary soundings were in fact taken at a secret meeting in Geneva last April. The Shah has now, however, decided to play it tough with Iraq, insisting that Baghdad accept Iran's position on the disputed border before other matters can be discussed.

Yemen (Aden) - USSR: Moscow is continuing to deliver military equipment to Aden. Since June 9, six Soviet military AN-12 transports have arrived and at least two others are due shortly. The cargo is not known, but during a similar airlift in April, Moscow delivered Aden's first MIG-21 aircraft. The Soviets also shipped at least 22 T-54 tanks by sea last month. Although Moscow has been providing military aid since 1968--amounting to some \$30 million--shipments have picked up significantly during the past year, as tensions increased between Aden and Yemen (Sana).

*Top Secret*



# The President's Daily Brief

13 June 1973

45

~~Top Secret~~ 25X1

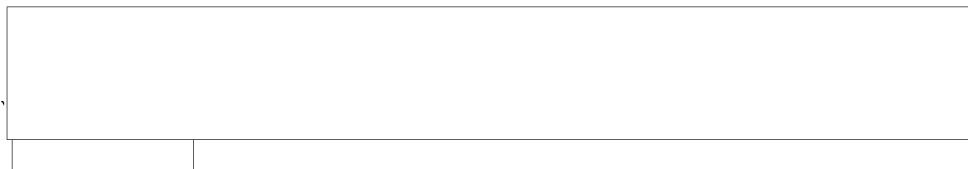
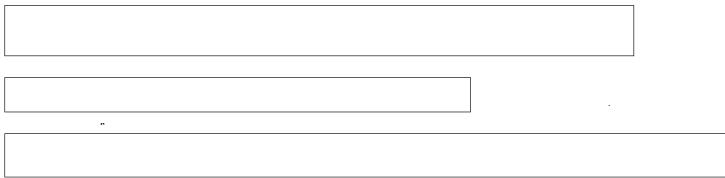
Exempt from general  
declassification schedule 1.0 11652  
exemption category 5B(1)(c)(3)(B)  
declassified only on approval of  
the Director of Central Intelligence

CENTRAL INTELLIGENCE AGENCY

WASHINGTON, D.C. 20505

**TOP SECRET**

June 13, 1973

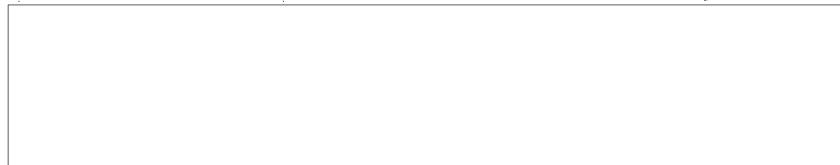


**TOP SECRET**

EYES ONLY FOR THE PRESIDENT

25X1

**TOP SECRET**



25X1



25X1

25X1

**TOP SECRET**

EYES ONLY FOR THE PRESIDENT

**FOR THE PRESIDENT ONLY**

**THE PRESIDENT'S DAILY BRIEF**

13 June 1973

**PRINCIPAL DEVELOPMENTS**

Cambodian Prime Minister In Tam's enthusiasm for his office has steadily declined, but he reportedly intends to stay on the job and do what he can to cope with the country's problems. (Page 1)

Although Venezuela's current initiative to relax OAS restrictions against Cuba appears to be foundering, the Latin American trend toward closer relations with the Castro government is expected to continue; this trend is examined in detail at Annex. (Page 2)

Information from various sources indicates that Mexico has requested observer status in the Council for Mutual Economic Assistance or will do so soon. (Page 3)

France

25X1

(Page 4)

Anxious for a resumption in the canal negotiations, Panamanian authorities are trying to show good will by keeping down the level of anti-US propaganda. (Page 5)

**FOR THE PRESIDENT ONLY**

*FOR THE PRESIDENT ONLY*

**CAMBODIA**

Since taking office a month ago Prime Minister In Tam's enthusiasm for his office has steadily declined, largely because of President Lon Nol's unwillingness to share his power.

In Tam claims he is being isolated from the daily running of governmental business by a combination of arbitrary decisions on the President's part and the hostility of senior Cambodian Army officers. Some of the latter appear to be supporting Lon Nol's efforts to keep In Tam in check in order to block military reforms--including the replacement of incompetent and corrupt commanders. In Tam is also concerned that several unpopular economic decisions that must be made soon may damage his political career.

25X1

Nevertheless, [redacted] In Tam intends to stay on as Prime Minister and do the best he can to cope with the country's problems. If he could obtain the political support of fellow council member Sirik Matak, he might be able to make some inroads on Lon Nol's authority. It does not appear that Matak can be counted upon, however.

25X1

25X1

[redacted] the prospects for effective government in Phnom Penh remain poor.

25X1

*FOR THE PRESIDENT ONLY*

**FOR THE PRESIDENT ONLY**

**VENEZUELA-CUBA-OAS**

The Venezuelans are having trouble lining up a majority of OAS members for a resolution permitting each member to decide for itself whether to honor the sanctions against Cuba. Venezuela may have to abandon its campaign for now.

*This does not mean a reversal in the Latin American trend toward closer economic and diplomatic relations with the Castro government. This trend is examined in detail at Annex.*

**FOR THE PRESIDENT ONLY**

**FOR THE PRESIDENT ONLY**

**MEXICO**

25X1

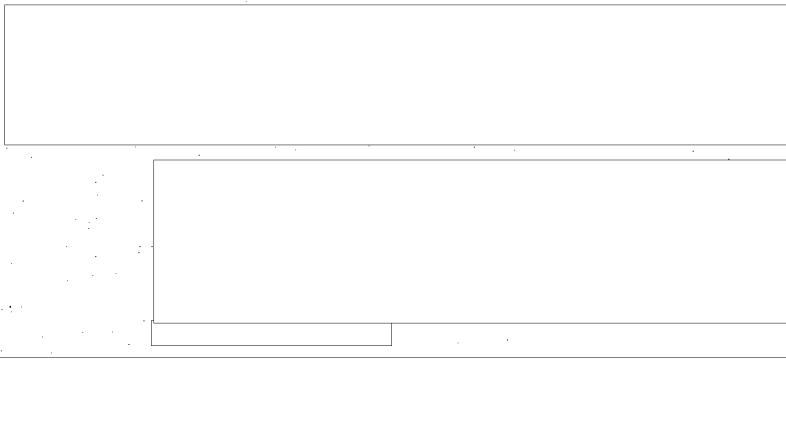
[redacted] Mexico has requested observer status in the Council for Mutual Economic Assistance or will do so soon.

The USSR and its Eastern European allies recently have been trying to establish stronger economic links with non-Communist nations through CEMA. Finland recently became the first non-Communist country to conclude an agreement with CEMA; Iraq, Iran, and India have been approached.

Mexican participation in the Soviet-led CEMA would be in line with President Echeverria's aggressive foreign policy and his desire to be more independent of US influence in the world economic arena. He is reaching out to any nation or economic grouping--regardless of its ideological orientation--that allows him to exhibit this independence. Echeverria may hope that association with CEMA will bring economic benefits and increase exports, although nothing significant would develop soon.

*FOR THE PRESIDENT ONLY*

FRANCE



25X1

25X1

25X1

25X1

*FOR THE PRESIDENT ONLY*

**FOR THE PRESIDENT ONLY**

**NOTES**

Panama: Anxious for a resumption in the canal negotiations, Panamanian authorities are trying to show good will by keeping down the level of anti-US propaganda. They have also hinted at some additional flexibility in their negotiating position on the duration of US jurisdiction in the Canal Zone and the transition of authority from the US to Panama.

25X1

25X1

Spain: The new cabinet to be sworn in today is likely to be even more rightist than its predecessor. Conservative representation has been increased at the expense of adherents of the Catholic lay organization Opus Dei. Foreign policy is expected to reflect the commitment of the new Foreign Minister, Lopez Rodo, to Spain's integration in Western Europe. Although generally well disposed toward the US, he is also a tough negotiator and a firm defender of Spanish economic interests. Thus, the Spanish position on bilateral issues with the US may become more rigid.

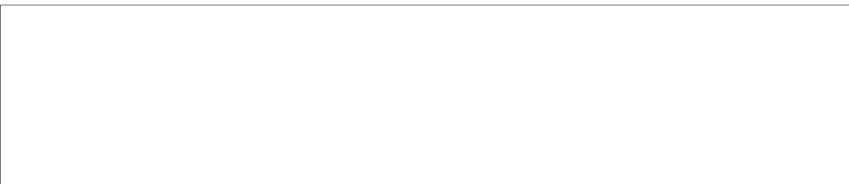
Sudan: The Numayri government states that the prosecution of the eight Black September terrorists accused of the murder of US and Belgian diplomats last March will begin next week. The terrorists apparently will be tried before a civil rather than a military court. The charge of murder carries a death sentence or, if the court concludes there are extenuating circumstances, life imprisonment. The government may have decided to move at this time in the hope of distracting the Sudanese public from recent price increases and in the hope that other Arab capitals will be too concerned with the UN debate on the Middle East to focus full attention on the trial.

(continued)

*FOR THE PRESIDENT ONLY*

Japan-Cuba: Tokyo is considering lifting its 12-year ban on Japanese Export-Import Bank credits to Cuba as a means of obtaining a sharp increase in the current low level of Japanese exports to that country. In recent years, Cuba has pressed Japan for credits to finance purchases of heavy industry products, including machinery, ships, and motor vehicles. Tokyo has held off thus far out of deference to US wishes, but may now feel it can no longer afford to do so.

25X1



*FOR THE PRESIDENT ONLY*

**FOR THE PRESIDENT ONLY**

A  
N  
N  
E  
X

### CUBA - LATIN AMERICA

During the past year six countries in the hemisphere have established or restored ties with Havana. Others seem likely to act soon.

Many Latin American leaders--faced with a rising tide of nationalism--have become convinced that US Government and private interests in the hemisphere are somehow incompatible with their own overriding goals--economic development and "independence." There has been a broad transformation since the mid-1960s in Latin American attitudes toward the US and the rest of the world, involving a shift toward far less concern over any external threat to hemispheric security.

The Castro regime has not merely been a passive beneficiary of this thinking, but since the late 1960s has sought eagerly to strengthen it. The shift in tactics was prompted by the repeated failures of Cuba's subversion policy, mounting economic difficulties, and Soviet pressure. In mid-1968, Havana began to reduce its tangible support to Latin American revolutionary groups and initiated a concentrated effort to normalize relations with selected governments in the hemisphere. Castro and other Cuban leaders toned down their revolutionary rhetoric. Havana pursued low-level contacts--athletic, cultural, and technical exchanges. Cuba's efforts to improve its image included earthquake relief to Peru, Chile, and Nicaragua.

Cuba gives lip service to Latin American demands for revision of the Law of the Sea, but in carefully worded generalizations that minimize conflict with the position of its chief ally, the USSR. Castro has also voiced substantial support for the right of the English-speaking Caribbean states to participate fully in inter-American affairs. In these and other problems, he is encouraging the concept of hemispheric unity in dealing with the US.

The Cuban effort began to bear fruit in 1970 when Chile's Allende re-established diplomatic relations. Chile thus joined Mexico, which had never broken ties with Cuba. In the last 12 months, Argentina, Barbados, Peru, Jamaica, Trinidad-Tobago, and Guyana established or restored relations.

Cuba's success in reducing its isolation stems in large part from the fact that many Latin American governments see normalizing relations with Havana

A1

**FOR THE PRESIDENT ONLY**

*FOR THE PRESIDENT ONLY*

as a relatively "safe" way to demonstrate "independence" of the US. Faced with the domestic pressures of fervent nationalistic emotions, many governments see such an image as a virtual necessity.

Some governments, such as Peru, Argentina, and Venezuela, apparently feel that by obtaining Castro's revolutionary endorsement, they undercut leftist opposition groups and cause the termination or at least curtailment of Cuban support to local guerrilla organizations.

Others have sought improved ties with Havana to gain Cuban support for cherished foreign policy positions, particularly those involving actual or anticipated US opposition. Latin Americans have obtained Cuban backing on a number of issues, including demands for sovereignty over natural resources and removal of restrictive US trade barriers and "coercive" economic measures. Panama's Torrijos has from time to time toyed with the thought of trying to use Cuban backing for his canal aspirations in an effort to get concessions from the US.

Some governments also view Cuba as a potential customer. Cuba imported goods worth approximately \$10 million from Mexico in 1972 and recently signed a \$29-million contract with Peru for 110 fishing boats. Trade with Chile is continuing, Argentina proposes to sell corn to Cuba, and Venezuela has announced that talks on the sale of petroleum to Cuba are under way.

Finally, many Latin Americans are convinced that efforts to isolate the Castro government have succeeded only in tightening the Soviet grip on Cuba. Many governments believe that the OAS sanctions policy cannot last much longer and wish to avoid being the last to join the anti-sanctions bandwagon. There is also a lingering suspicion that the US may act unilaterally to reverse its own Cuba policy, thus embarrassing those governments that adhered faithfully to the sanctions.

Cuba's reintegration into the hemisphere will probably continue at its present gradual pace. Venezuela and perhaps Panama are likely in the near future to restore formal relations. Others are expected eventually to fall in line. In any case, support for the OAS sanctions will continue to decline. The two-thirds majority required to lift the sanctions probably cannot be mustered this year, but the anti-sanction forces need only one or two more votes to achieve the "moral victory" of an absolute majority.

*Top Secret*



# The President's Daily Brief

14 June 1973

45



~~Top Secret~~ 25X1

Exempt from general  
declassification under E.O. 14176  
exemption category 5B(1), (2), (3)  
declassified only on approval of  
the Director of Central Intelligence

**FOR THE PRESIDENT ONLY**

**THE PRESIDENT'S DAILY BRIEF**

14 June 1973

**PRINCIPAL DEVELOPMENTS**

Recent instructions to Communist cadre in South Vietnam [redacted] emphasize political, rather than military, activity following the new accord in Paris. (Page 1)

25X1

Morocco will resume the movement of its token expeditionary force to Syria with the aid of Saudi Arabia rather than the USSR. (Page 2)

[redacted] India [redacted] 25X1

(Page 3)

Abu Dhabi is buying Mirage fighter-bombers from France. (Page 4)

**FOR THE PRESIDENT ONLY**

**FOR THE PRESIDENT ONLY**

**SOUTH VIETNAM**

On June 10 Communist cadre in Tay Ninh Province received fresh instructions on action to pursue following the "second cease-fire agreement."

25X1

The party expected Saigon to sign the new agreement but not to abide by its conditions [redacted]

25X1

[redacted] The Communist guidance stated that the Viet Cong lack sufficient military strength to force Saigon to implement the agreement and that cease-fire violations would therefore continue.

25X1

The new instructions indicated that there would be no major Communist military moves, [redacted]

25X1

25X1

The instructions alleged that preparations had been made to assign members to the "third segment" of the National Council for National Reconciliation and Concord, and that the Council would be established about 45 days after the "second agreement" went into effect.

**FOR THE PRESIDENT ONLY**

*FOR THE PRESIDENT ONLY*

MOROCCO-SYRIA

Morocco is resuming the movement of its expeditionary force to Syria--this time with the assistance of Saudi Arabia rather than the USSR.

[redacted] 25X1

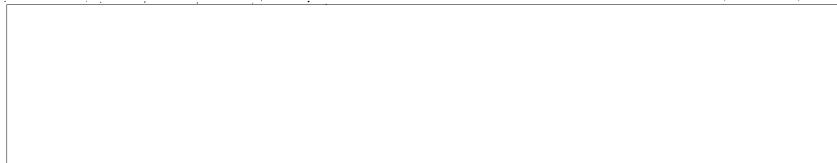
*The Moroccan troops which are to be airlifted may number 2,000 men and are intended as a token contribution to the Arab cause.*

[redacted] 25X1

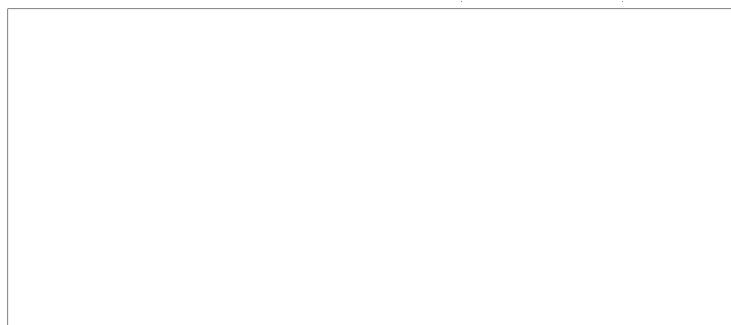
*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

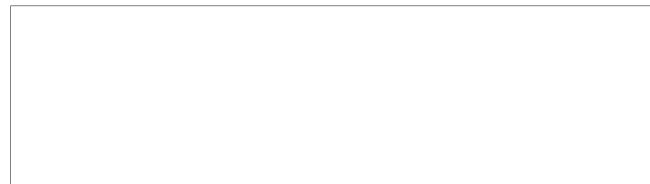
**USSR-INDIA**



25X1



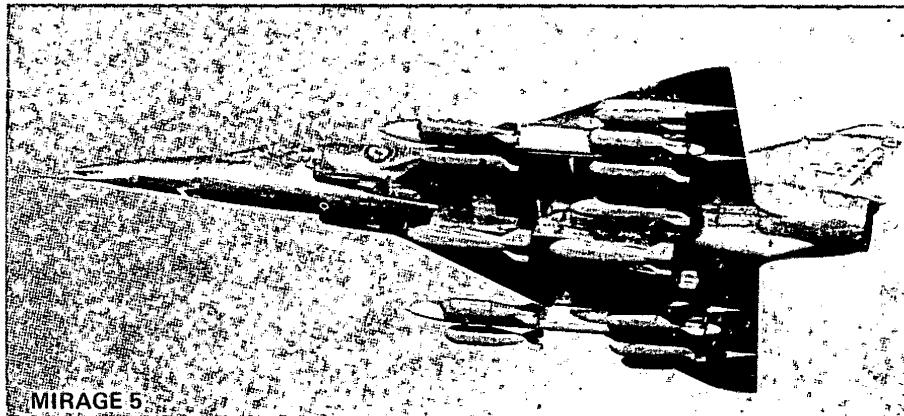
25X1



25X1

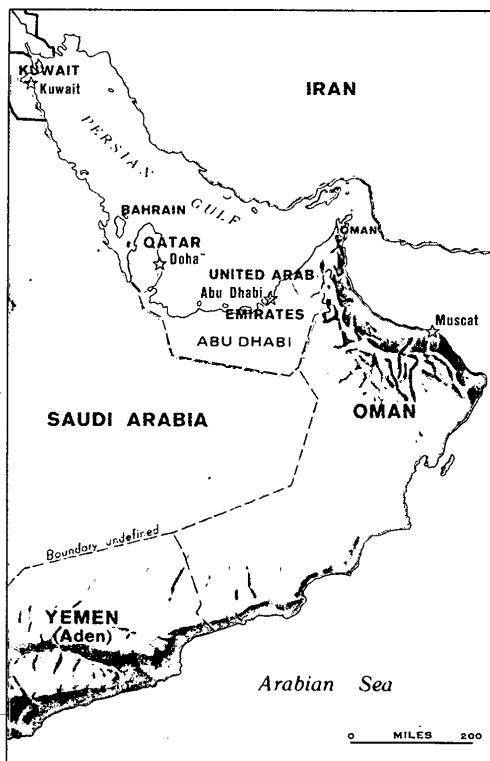
25X1

*FOR THE PRESIDENT ONLY*



MIRAGE 5

*Abu Dhabi to Receive Mirage Aircraft*



25X1

554421 6-73 CIA

*FOR THE PRESIDENT ONLY*

ABU DHABI - FRANCE

25X1

The government of Abu Dhabi, a member of the United Arab Emirates, is turning to France to upgrade its small air force.

[redacted] an agreement concluded in April will give the sheikhdom 28 Mirage fighter-bombers, probably Mirage 5s, and a supply of spare parts.

25X1

25X1

*The Abu Dhabi Air Force currently has only one squadron of subsonic Hawker Hunter aircraft.*

25X1

*FOR THE PRESIDENT ONLY*

**FOR THE PRESIDENT ONLY**

**NOTES**

25X1

Israel: Prime Minister Meir soon may announce her willingness to continue in office rather than risk intra-party squabbling and losses in the October elections. Finance Minister Sapir and Defense Minister Dayan--potential successors to the premiership--have serious policy differences which they are unlikely to resolve in the near future. Mrs. Meir's probable decision to stay would run counter to her personal preference to retire.

25X1

Venezuela-Cuba-OAS: Venezuela has dropped its request for a special OAS Council meeting to vote on a resolution that would allow member nations to apply existing OAS sanctions against Cuba as they see fit. Caracas will probably bring the resolution up again when it believes there are 12 votes--a simple majority--for it.

**FOR THE PRESIDENT ONLY**

*Top Secret*



# The President's Daily Brief

15 June 1973

45



*Top Secret* 25X1

Exempt from general  
declassification schedule of E.O. 11652  
exemption code: 5 (d) (2), (3), (4)  
declassified only on approval of  
the Director of Central Intelligence

**FOR THE PRESIDENT ONLY**

**THE PRESIDENT'S DAILY BRIEF**

15 June 1973

**PRINCIPAL DEVELOPMENTS**

On his return to Argentina next week, Juan Peron must arbitrate differences that have developed within the Peronist movement, set a firm course for the government, and put down terrorism. (Page 1)

Chile

25X1

(Page 2)

Popular support for the Indian Government and the ruling Congress Party is fast eroding although Mrs. Gandhi retains much of her personal popularity. (Page 3)

Saudi Arabia,  
Egypt

25X1

(Page 4)

The Soviets launched an unmanned Soyuz spacecraft early this morning from the missile and space center at Tyuratam. (Page 5)

European traders have demonstrated considerable skepticism about the impact of the new US economic policy. (Page 5)

Negotiations are continuing between the Libyan Government and Western oil companies, but company representatives find no flexibility in Tripoli's position. (Page 5)

**FOR THE PRESIDENT ONLY**

*FOR THE PRESIDENT ONLY*

**ARGENTINA**

Juan Peron will be faced with imposing tasks on his return to Buenos Aires next week. He must arbitrate differences that have developed within the Peronist movement, set a firm course for the government, and put down terrorism.

25X1

*Even some of Peron's political opponents say that he is the only individual who can restore order and get things moving. Campora so far has been unable or unwilling to challenge groups that have occupied radio stations, hospitals, and universities or to reduce the bickering that has stalled appointments to several posts below the cabinet level.*

*Only the new economic team headed by Finance Minister Gelbard has made any progress. It has instituted price controls and reached agreement with labor on belt-tightening measures designed to slow inflation.*

*FOR THE PRESIDENT ONLY*

**FOR THE PRESIDENT ONLY**

**CHILE**

General Prats bluntly warned President Allende early this week that the government must act quickly to halt the present economic deterioration.

25X1

25X1

25X1

Prats did not include himself in the lineup but may have his eye on the post of prime minister or vice president. Neither exists now, and Prats wants one of these positions created by constitutional amendment.

25X1

25X1

Allende has worked out "irreconcilable" differences before, usually to his advantage. This time, however, the task looks much harder. In any event, impeachment proceedings now under way in congress against three key ministers will force some cabinet changes very soon.

**FOR THE PRESIDENT ONLY**

**FOR THE PRESIDENT ONLY**

## INDIA

Popular support for the government and the ruling Congress Party is fast eroding. The government's inept handling of the recent drought, suspicion that Mrs. Gandhi is trying to pack the Supreme Court and muzzle the press, and rumors of corruption at the highest levels of the administration are factors in its decline.

The Congress Party is faltering in several states where the Prime Minister earlier replaced troublesome, but politically astute, local leaders with trusted functionaries lacking a personal power base. In three states Congress Party governments have been replaced this year by direct "President's Rule" from New Delhi. Congress Party candidates have also fared poorly in several recent by-elections.

The Congress Party is riven by ideological disputes, and caste and personal rivalries. In addition, the Communist Party of India, formerly a de facto ally of the Congress, no longer gives unconditional support to the government. Opposition parties, encouraged by the trend, have become more active.

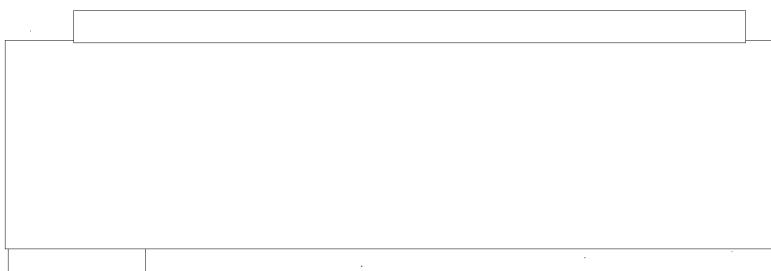
*Mrs. Gandhi retains much of her personal popularity and has no serious rival for power within the party. She does not face national elections until 1976, and is free to decide whether elections scheduled for early 1974 in several states should be postponed under an extension of President's Rule. She can also time a cabinet reshuffle to strengthen her somewhat tarnished reputation as an administrator.*

*Other developments over which she has no control could be even more beneficial; a good monsoon in the next few weeks or the early arrival of food grains promised from overseas would be of considerable help.*

**FOR THE PRESIDENT ONLY**

*FOR THE PRESIDENT ONLY*

SAUDI ARABIA - EGYPT

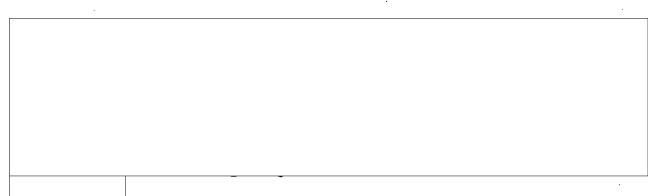


25X1  
25X1

25X1



25X1



25X1  
25X1

25X1

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

NOTES

USSR: The Soviets launched an unmanned Soyuz spacecraft early this morning from the missile and space center at Tyuratam. The mission, which will coincide with Brezhnev's visit to the US, probably is a test of modifications made to the spacecraft.

International Monetary Developments: The dollar closed lower in almost all European currency markets yesterday, but at a point substantially above last week's low. Traders demonstrated widespread skepticism about the impact of the new US economic policy. They expressed fear that US plans for controls on food exports and reduced tariffs on imports of scarce materials will set back improvement of the US balance of payments. There was some disappointment that President Nixon did not announce specific measures to strengthen the dollar's market performance. The first official foreign reaction to the new US measures came from the Canadian Finance Minister who expressed concern that other countries might retaliate against US export controls.

Libya: Negotiations are continuing between the government and Western oil companies, but company representatives find no flexibility in Tripoli's position. The companies are maintaining their offer of a 50-50 joint operating arrangement against the government's demand for 100-percent participation. Company officials are concerned that Tripoli is overestimating its negotiating strength and may force itself into a position from which it would view nationalization as the only alternative.

*FOR THE PRESIDENT ONLY*

*Top Secret*



# The President's Daily Brief

25X1

16 June 1973

45



~~Top Secret  
Sensitive~~

Exempt from general  
declassification schedule of E.O. 11652  
exemption category 5B(1)(2),(3)  
declassified only on approval of  
the Director of Central Intelligence

*FOR THE PRESIDENT ONLY*

THE PRESIDENT'S DAILY BRIEF

16 June 1973

PRINCIPAL DEVELOPMENTS

North Vietnam's limited military conscription effort this spring suggests that Hanoi does not currently envisage resumption of heavy fighting in the South, at least until after early autumn. (Page 1)

The Lebanese Government is becoming less able to control the fedayeen, in large part because of Syrian machinations. (Page 2)

25X1

USSR

25X1

(Page 4)

The West Europeans and Japanese are expressing concern over the possibility of US export controls on farm products. (Page 5)

*FOR THE PRESIDENT ONLY*

**FOR THE PRESIDENT ONLY**

**NORTH VIETNAM**

Hanoi appears to have inducted an unusually small number of men into the military in March, April, and May. The total of conscription messages the North Vietnamese passed over their civil communications network during those months was the lowest since 1969, when they began a period of reduced military activity.

Earlier reports from Hanoi indicated that recruitment posters in the capital were being replaced by signs urging men to join "reconstruction brigades."

*The limited scope of this year's spring recruitment suggests that Hanoi does not currently envisage resuming heavy fighting in the South, at least in the early part of the next dry season. In the past, a major spring recruitment drive has allowed the North Vietnamese at least three months to train the recruits before sending them south in the fall when the dry season begins.*

*A recent intercept indicates that a regular recruitment campaign will begin in July, but in previous years this drive has been less extensive than those held in the spring.*

**FOR THE PRESIDENT ONLY**

**FOR THE PRESIDENT ONLY**

**LEBANON**

The government's ability to maintain the upper hand with the fedayeen is diminishing. The most important reason is Syria's deliberate effort to influence--if not dominate--Lebanese politics in order to bring about a "closer alignment" with those of Syria.

Syrian economic pressure, help to the fedayeen, and threats of future measures against Lebanon have emboldened Lebanese leftists and Sunni Muslims to stir up domestic trouble for President Franjiyah. A boycott of parliament on June 12 by Sunni Muslim deputies--annoyed because they consider themselves underrepresented in the government--forced the resignation of Prime Minister Hafiz two days later. Though their discontent might ebb if they are given the posts they covet, a danger remains that some of them would line up with the fedayeen in the event of another round of fighting.

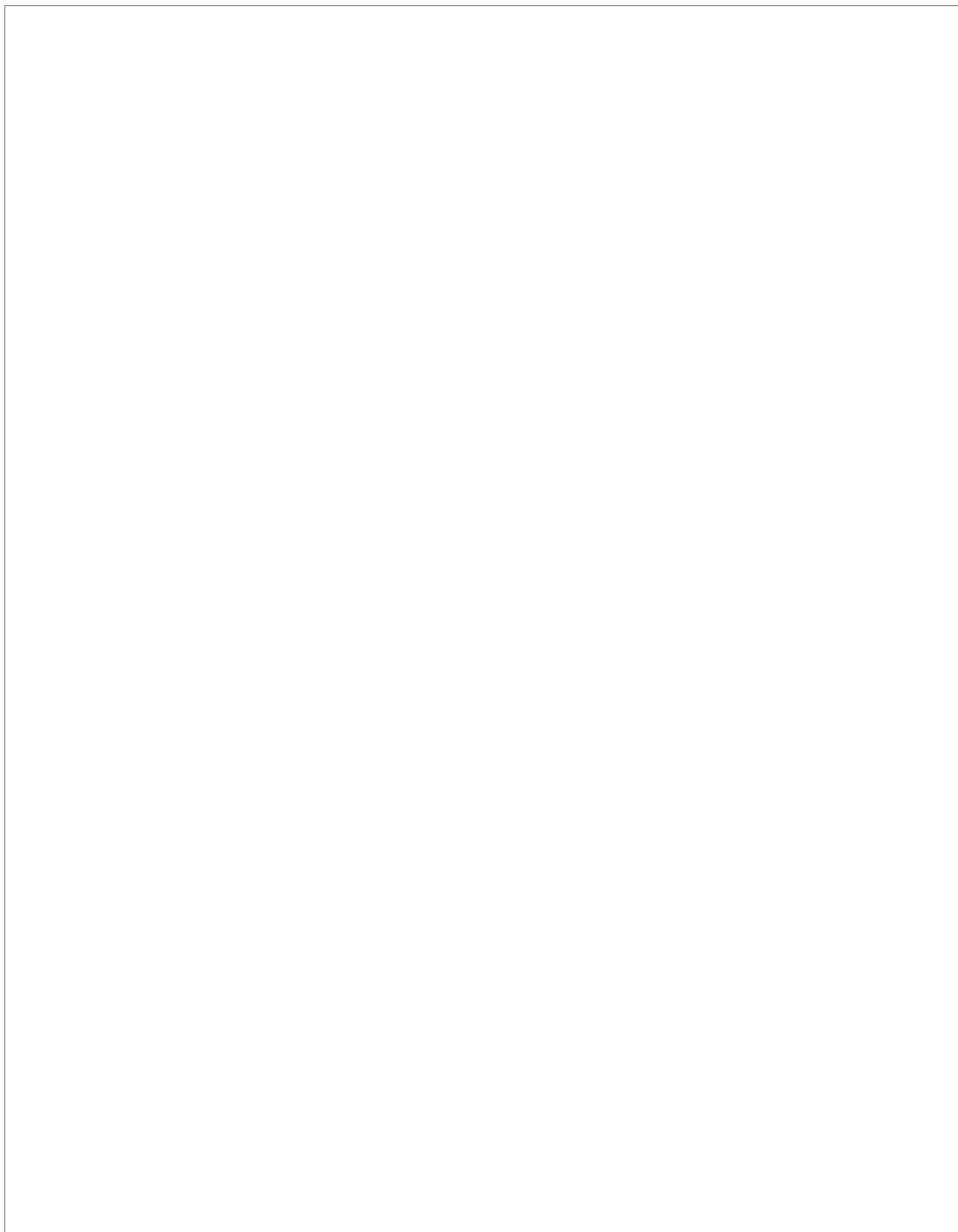
The fedayeen, meanwhile, are fortifying their camps and receiving new stocks of arms and ammunition smuggled from Syria. Fedayeen regulars and militia now in Lebanon already outnumber the Lebanese Army, and the imbalance would grow if Syria were to resume the infiltration of well-trained reinforcements. The fedayeen are far behind the army in firepower, morale, and organization, although they are trying to improve their military coordination and discipline.

*President Franjiyah and his advisers still seem determined to enforce tighter controls on the fedayeen, but the combination of internal and external pressures could drive them to compromise. They are dismayed by the apathetic reaction of friendly Arab states*

25X1

**FOR THE PRESIDENT ONLY**

25X1



*FOR THE PRESIDENT ONLY*

USSR

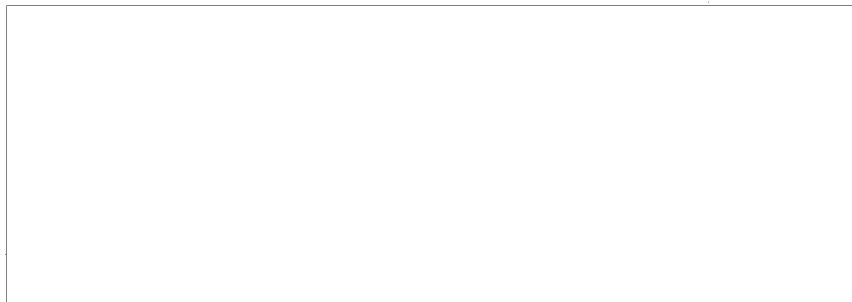
25X1



*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

USSR



25X1



25X1

*FOR THE PRESIDENT ONLY*

**FOR THE PRESIDENT ONLY**

**WESTERN EUROPE - JAPAN - US**

The West Europeans and the Japanese are beginning to express concern over the President's indication that he may seek export controls on farm products.

The EC Commissioner for Agriculture, Petrus Lardinois, has expressed anxiety to the US mission in Brussels about the effects of such restrictions on world supplies. He also asked how such action would affect the multilateral trade negotiations, where the Europeans had expected the US to press hard for improved access to foreign agricultural markets. He said that Community members are now likely to renew pressure for measures under the Common Agricultural Policy to increase Community production and alleviate the tight supply situation. In particular, Lardinois expects a renewed French request for a common agricultural policy for soybeans, with support mechanisms to encourage European, primarily French, production.

In Tokyo, government authorities expressed "shock" at the US position. They noted bitterly that they had recently encouraged a shift of Japanese trade to the US rather than to other suppliers as a way to cut down the US trade deficit with Japan. They presumably fear that US supplies may now be restricted.

**FOR THE PRESIDENT ONLY**

*FOR THE PRESIDENT ONLY*

NOTES

South Vietnam: There has been continued fighting in some areas after the beginning of the new cease-fire, particularly in Kontum Province in the highlands and Chuong Thien in the delta. This action may be a spillover of earlier activity. The upsurge of fighting immediately preceding the cease-fire has not significantly changed either side's control over territory or people.

25X1

Chile: Many striking copper workers have defied government efforts to stop their march into Santiago. Clashes involving opposition groups supporting the strikers, extreme leftists, and the police are likely to continue. The armed forces in Santiago were placed on full alert yesterday afternoon.

25X1

*FOR THE PRESIDENT ONLY*

*Top Secret*



# The President's Daily Brief

18 June 1973

45

25X1  
Top Secret

Exempt from general  
declassification schedule of E.O. 11652  
extreme category 3B(1), (2), (3)  
declassified only on approval of  
the Director of Central Intelligence

**FOR THE PRESIDENT ONLY**

**THE PRESIDENT'S DAILY BRIEF**

18 June 1973

**PRINCIPAL DEVELOPMENTS**

Fighting seems to have tapered off in most parts of South Vietnam following the new cease-fire. (Page 1)

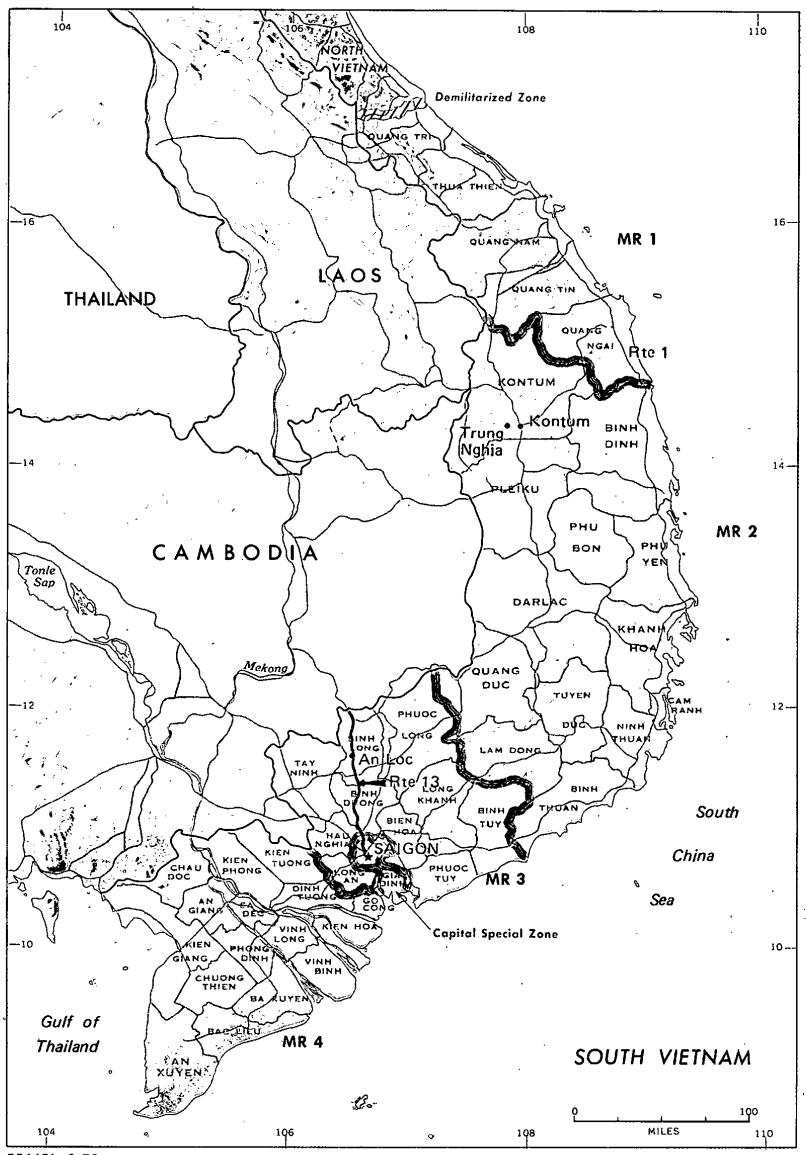
In Laos, Prime Minister Souvanna is ready to make concessions on several issues that have held up talks with the Communists since February. (Page 2)

25X1

[Redacted] (Page 3)

25X1

**FOR THE PRESIDENT ONLY**



*FOR THE PRESIDENT ONLY*

### SOUTH VIETNAM

Fighting appears to have tapered off throughout most of the country. Both sides have instructed their units to honor the new cease-fire. Each remains skeptical of the other's intentions, however, and both have told their forces to remain vigilant and defend areas they control.

Military action in the delta yesterday fell off significantly from Saturday, although government commanders consider heavy rains partly responsible. The provinces around Saigon have been quiet since the start of the new cease-fire, and government sources report that all roads are open except Route 13 to An Loc.

Sharp fighting continues in Kontum Province. South Vietnamese units trying to recapture Trung Nghia village, which the Communists occupied on June 9, are taking heavy casualties. Despite the losses, the government commander has ordered operations to continue until the village is secured.

Some fighting is still under way in southern MR-1. South Vietnamese units are probing contested areas in Quang Nam and Quang Ngai provinces and the Communists are reacting with shellings and ground attacks. Fighting could escalate as the South Vietnamese try to consolidate their control near Route 1.

*FOR THE PRESIDENT ONLY*

**FOR THE PRESIDENT ONLY**

**LAOS**

Government chief negotiator Pheng Phongsavan described as "productive" his meeting with Communist envoy Phoumi Vongvichit on June 15--the first since the signing of the Paris communiqué. Prime Minister Souvanna Phouma has called on the two delegates to complete negotiations by July 1, and has told them to come to him if they reach an impasse on any specific point. Phoumi has agreed to try to meet Souvanna's deadline.

Souvanna is ready to make concessions on several issues that have held up talks since February. At the session on June 15, the government accepted some of the Pathet Lao demands on portfolios in a new coalition. Souvanna is also prepared to concede on provisions for the security of Pathet Lao members of a new coalition, on the size of the International Control Commission, and on the demarcation of areas of control.

*Souvanna presumably hopes that these concessions will keep negotiations moving and that in the wake of the Paris talks, the Communists will also show some flexibility.*

**FOR THE PRESIDENT ONLY**

*FOR THE PRESIDENT ONLY*

NOTES

Mexico-Cuba:

25X11

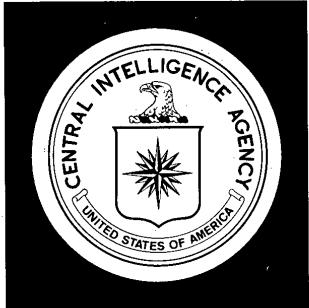
Fedayeen:

25X125X1

USSR: The unmanned Soyuz spacecraft launched from Tyuratam last Friday returned to earth yesterday morning. The last unmanned Soyuz mission, conducted in June 1972, lasted six days.

*FOR THE PRESIDENT ONLY*

*Top Secret*



# The President's Daily Brief

19 June 1973

45



~~Top Secret 25X1~~

Exempt from general  
declassification schedule (F.O. 11652  
exemption category SRG(1)(f)(3)(B)  
declassified only on approval of  
the Director of Central Intelligence

**FOR THE PRESIDENT ONLY**

**THE PRESIDENT'S DAILY BRIEF**

19 June 1973

**PRINCIPAL DEVELOPMENTS**

The dollar moved lower yesterday on all major European exchange markets, hitting record lows in three of them. (Page 1)

Poland, concerned that its obstructionist tactics in the ICCS have halted the trend toward improved relations with the US, is considering withdrawal from the commission. (Page 2)

Brazil's President Medici has named Ernesto Geisel to succeed him when his term ends in March next year. (Page 3)

North Vietnam

25X1

(Page 4)

West Germany's highest court turned down a second challenge to the inter-German treaty, thereby clearing the way for the exchange of instruments of ratification tomorrow. (Page 4)

**FOR THE PRESIDENT ONLY**

*FOR THE PRESIDENT ONLY*

## INTERNATIONAL MONETARY DEVELOPMENTS

Following the release of the annual report of the Bank of International Settlements (BIS), the dollar yesterday moved lower on all major European exchange markets, hitting record lows in three of them. Central bankers meeting in Basle as members of the BIS are pessimistic about the adequacy of recent US anti-inflationary measures. They tend to agree with the BIS staff assessment that the short-term international economic outlook is bleak, and that the present high rate of world inflation will continue for some time. The bankers do not believe recent increases in interest rates in Belgium, Canada, the Netherlands, West Germany, and Japan can stem such inflation.

At the meeting, many bankers voiced strong opposition to [redacted] proposals for exchange adjustment on the basis of objective criteria. As a result, doubts are increasing that an agreement on monetary reform can be reached before the September meeting of the International Monetary Fund.

25X1

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

**POLAND**

Ambassador Trampczynski, in Warsaw last week on home leave, told Ambassador Davies that he had spent much of his time discussing with top party and government officials the possibility that Poland might withdraw from the ICCS. Trampczynski suggested that Warsaw had two choices: withdraw from the ICCS or become more objective from the US viewpoint. He said he expected a final decision in about a month.

*Left unspoken was the fact that Poland cannot become a more objective ICCS member until Warsaw gets new instructions from Moscow.*

*The Poles are increasingly concerned, however, that their obstructionist tactics in the ICCS have caused a halt in the trend toward improved relations with Washington. Trampczynski's sounding suggests that Warsaw may be willing to go some distance to get these relations back on the upswing.*

*FOR THE PRESIDENT ONLY*

**FOR THE PRESIDENT ONLY**

**BRAZIL**

President Medici has named Ernesto Geisel to succeed him when his term ends in March next year.

Medici, approaching 70, has no desire for another term. At the same time, he has no inclination to reopen national politics to public participation.

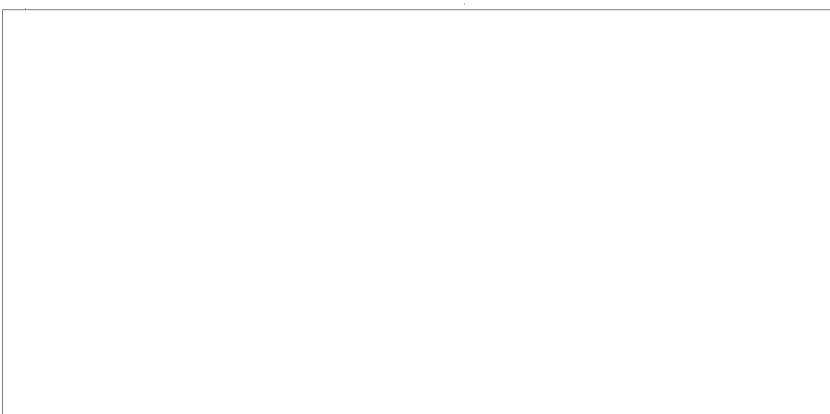
Geisel was selected by Medici, who then made his choice known to the senior military commanders whose backing seems assured. Geisel has considerable political clout among the military; he is known as the "12-star general" because he is a retired four-star general and has two brothers who retired with the same rank. He has a good reputation as an administrator and is currently chief of Brazil's politically potent "Petrobras" oil company.

There will be no general election of the new president in January. Geisel will be selected--most likely without opposition--by a carefully screened electoral college. Geisel has shown no sign of wanting to change Brazil's basic policy directions.

**FOR THE PRESIDENT ONLY**

*FOR THE PRESIDENT ONLY*

NOTES



25X1

West Germany: The West German Constitutional Court yesterday turned down the Bavarian state government's second request in three weeks to block ratification of the inter-German basic relations treaty. The way is now clear for Bonn and Pankow to exchange instruments of ratification tomorrow, bringing the treaty into force on June 21.

Iraq-USSR: [redacted] the Iraqi port of Umm Qasr shows a variety of Soviet combat equipment, including 130-mm. field guns, light tanks, armored personnel carriers, reconnaissance vehicles, and at least four BMP infantry combat vehicles. The BMP is the most modern Soviet troop carrier, and the Soviets have only recently begun to export it outside Warsaw Pact countries. Equipment for the SA-2 missile system was also seen at Umm Qasr.

25X1

Libya: Equipment for the SA-2 missile system has been identified for the first time in Libya. [redacted] the equipment at a firing site near Tripoli. About 20 SAM sites have been completed or are under construction in Libya.

25X1

(continued)

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

Malaysia-China: Malaysia may establish diplomatic relations with China late this summer. A Malaysian delegation, led by the deputy prime minister, is going to Peking in the next month or two, and the announcement of official ties could be made during the visit. Malaysia's Prime Minister Razak-- who had promised to coordinate such a step with Indonesia--presumably believes Jakarta is resigned to Kuala Lumpur's determination to establish relations with China. Jakarta remains reluctant to follow suit.

25X1

*FOR THE PRESIDENT ONLY*

*Top Secret*



# The President's Daily Brief

20 June 1973

50



25X1  
*Top Secret*

Exempt from general  
declassification schedule of E.O. 11652  
exemption category 5B(1), (2), (3)  
declassified only on approval of  
the Director of Central Intelligence

CENTRAL INTELLIGENCE AGENCY

WASHINGTON, D.C. 20505

TOP SECRET  
EYES ONLY FOR THE PRESIDENT

June 20, 1973

[Redacted]

25X1

[Redacted]

25X1

[Redacted]

25X1

[Redacted]

[Redacted]

25X1

20 JUN 1973

TOP SECRET  
EYES ONLY FOR THE PRESIDENT

EYES ONLY FOR THE PRESIDENT

25X1  
25X1

25X1  
25X1

25X1

25X1  
25X1

25X1  
25X1

25X1

25X1  
25X1

25X1

25X1  
25X1

25X1

**FOR THE PRESIDENT ONLY**

**THE PRESIDENT'S DAILY BRIEF**

20 June 1973

**PRINCIPAL DEVELOPMENTS**

Brezhnev's stop in Paris on his way home will serve a number of purposes for him and President Pompidou as well. (Page 1)

Spurred by some states seeking to diminish US influence, the OAS is meeting in Lima today to discuss reorganization of the inter-American system. (Page 2)

Huge crowds are gathering to welcome Peron home to Argentina, but there are continuing reports of a rift between him and President Campora. (Page 3)

Communist military pressure against key highways has raised the prospect of another rice crisis in Cambodia's capital. (Page 4)

President Thieu is taking steps to strengthen his power, suggesting he does not anticipate an early political settlement with the Communists. (Page 5)

The trial of the fedayeen terrorists in Sudan has been delayed. (Page 6)

**FOR THE PRESIDENT ONLY**

**FOR THE PRESIDENT ONLY**

**FRANCE-USSR**

*Paris sees Brezhnev's three-day stopover in France next week as a reminder to its allies on both sides of the Atlantic that Paris retains a "special" relationship with Moscow. The visit, the fourth Franco-Soviet summit in less than three years, was arranged only a few days ago.*

*Pompidou's talks with Brezhnev will concentrate on European matters, including US and Soviet relations with the EC. They are likely to discuss their respective positions on the CSCE meeting scheduled to open on July 3. If Brezhnev tries, as he did in January, to draw the French into the MBFR talks, he will again be rebuffed. The two leaders will also compare notes on their talks with President Nixon.*

*From the Soviet standpoint, the visit offers an opportunity to show Brezhnev's interest in improving Soviet - West European relations and to demonstrate that Moscow's interest in Western Europe is not diminished by superpower summity. Brezhnev may also try to counter recent statements in London and Paris by the Chinese foreign minister warning the Europeans to beware of close ties with the USSR.*

*The French press has already played the Brezhnev visit as a diplomatic success for Pompidou, who will have met with the leaders of the UK, West Germany, the US, and the USSR within a four-week period. The Elysee probably will also exploit the addition of Brezhnev to Pompidou's heavy schedule to counter rumors that Pompidou is in ill health.*

**FOR THE PRESIDENT ONLY**

FOR THE PRESIDENT ONLY

## WESTERN HEMISPHERE

Representatives of the 23 members of the Organization of American States open consultations in Lima today on proposals to reorganize the inter-American system. The proposals come from a nationalistic group of governments that increasingly is challenging US influence in the OAS and its specialized agencies. Peru, the most energetic advocate of change, is joined on most issues by nine other states.

The reform group wants to move at least some parts of the organization out of Washington, change its structure, and reduce US influence over development loans from multilateral agencies. It also wishes to review hemispheric defense needs with a view to abrogating the Rio Treaty of Reciprocal Assistance. Opposition to the treaty centers on a belief that the external threat to hemispheric security has diminished since the accord was drafted in the late 1940s.

The advocates of extensive change are likely to fall short of getting agreement for a major overhaul of the inter-American system. They failed to agree before the meeting on specific recommendations for reorganization, and they do not have the clout to overcome a requirement for a two-thirds vote on most substantive issues.

They could win a symbolic victory, nevertheless, if more than half of the members come out in favor of important changes.

Most of the reformers also claim that OAS sanctions against Cuba are anachronistic and that members ought to be free to re-establish relations with the Castro government if they wish. The present meeting is not empowered to vote on that issue, but some indirect test of strength on it seems likely.

FOR THE PRESIDENT ONLY

**FOR THE PRESIDENT ONLY**

**ARGENTINA**

Peron's failure to attend any official functions with President Hector Campora in Madrid has given some substance to continuing reports of a growing rift between the two.

25X1

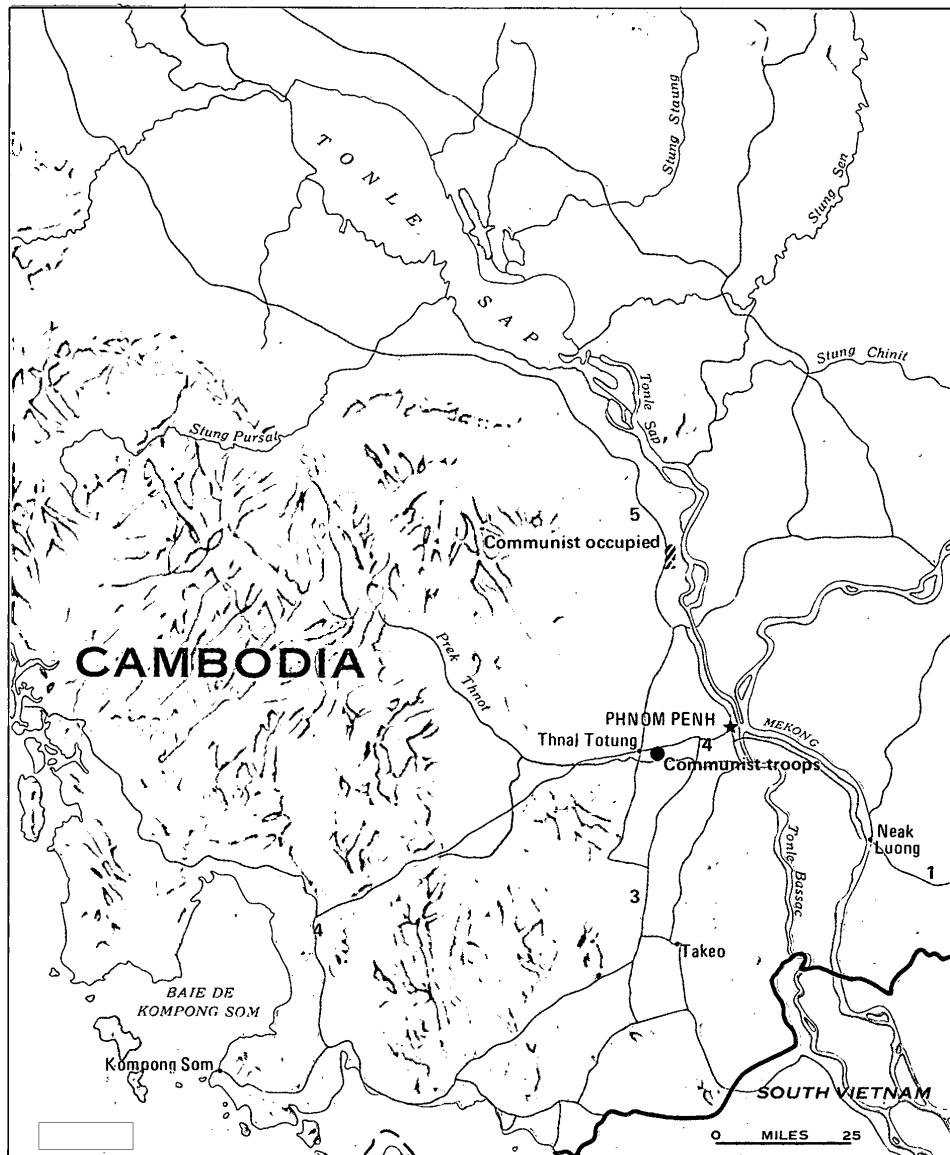
25X1

Peron may find it difficult to change habits formed over the years in which he undercut and then forced out of the movement any Peronist who seemed to be in a position to rival him for leadership. On the other hand, Peron may merely be piqued over Campora's clumsy handling of such problems as terrorism and divisions between moderate Peronist labor leaders and the radical Peronist Youth wing.

In any event, Peronist and anti-Peronist alike are hoping that Peron will take a firm stand against terrorism and that his return to Buenos Aires will put an end to the disturbances of various government agencies by young people.

Peron knows that the wave of kidnappings and extortion attempts aimed at foreign businessmen is hurting the climate for foreign investment that he is counting on to help Argentina out of its economic slump. The kidnapping on June 18 of the general manager of the Firestone Rubber Company will make the matter of terrorism even more urgent.

**FOR THE PRESIDENT ONLY**



554433 6-73 CIA

25X1

**FOR THE PRESIDENT ONLY**

**CAMBODIA**

In the past few days Khmer Communists have occupied six miles of Route 5, Phnom Penh's only overland access route to the rice-rich northwest. Government units from Phnom Penh that had cleared the highway early last week have since returned to the city, and it will take some time to reassemble them for another clearing operation.

No truck convoys have moved over Route 4 since June 6, when the Communists interdicted a short section of the road about 15 miles from Phnom Penh. This is the route by which Phnom Penh obtains rice and other supplies from the country's only seaport at Kompong Som. The government, however, has reopened the highway and hopes to resume convoys later this week.

*Unless the Cambodian Army can quickly reopen Route 5 and maintain security along that road and along Route 4, Phnom Penh's rice stocks will again reach dangerously low levels by the end of this month. A poor supply situation could lead to public disorders similar to those that occurred in Phnom Penh last September.*

**FOR THE PRESIDENT ONLY**

*FOR THE PRESIDENT ONLY*

SOUTH VIETNAM

President Thieu seems likely to gain firm control of the Senate, the only official body in which his non-Communist opponents have considerable strength. His candidates are heavily favored to win when 31 of the 60 upper house seats come up for election in August.

The country's main independent and opposition groups are sitting out the election. Some were convinced that they had no chance against Thieu's well-organized political machinery, and others were unable to agree on slates by the filing deadline last weekend.

*Gaining control of the Senate is an important part of Thieu's long-range plan for consolidating his political position, a goal that suggests he does not anticipate an early political settlement with the Communists.*

25X1

25X1

*FOR THE PRESIDENT ONLY*

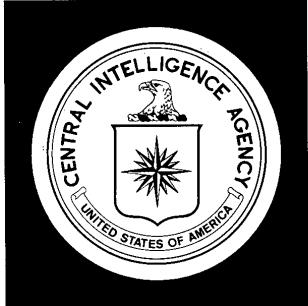
*FOR THE PRESIDENT ONLY*

**NOTE**

Sudan: The trial of the Black September Organization terrorists has been further delayed by the appointment of non-Sudanese Arab lawyers to assist in the defense. Prosecution proceedings have been postponed in order to allow the new lawyers time to get acquainted with the case. The trial, when held, could be a political circus. The defendants are expected to justify their crimes by pleading the Palestinian cause, while their Sudanese attorneys, among whom are a number of leftists and pan-Arabists, will use the forum to attack the Numayri government. President Numayri will be hard pressed to find a verdict acceptable to both the Arabs and the US, and to avoid provoking terrorist retaliation.

*FOR THE PRESIDENT ONLY*

*Top Secret*



# The President's Daily Brief

21 June 1973

45



~~Top Secret~~

25X1

Exempt from general  
declassification schedule of E.O. 13652  
exemption category 5B(1)(J)(2)(3)  
declassified only on approval of  
the Director of Central Intelligence

**FOR THE PRESIDENT ONLY**

**THE PRESIDENT'S DAILY BRIEF**

21 June 1973

**PRINCIPAL DEVELOPMENTS**

In Yugoslavia, the party is tightening its control over the military and security services in order to head off problems during the post-Tito period.  
*(Page 1)*

As the September 1 deadline for the Egypt-Libya merger draws closer, differences between Cairo and Tripoli are sharpening. *(Page 2)*

Hanoi continues to move large numbers of civilians into the DMZ and Communist-controlled portions of northern South Vietnam. *(Page 3)*

Italian prime minister - designate Mariano Rumor faces hard bargaining as he tries to bring the Socialist Party back into the government after a year in the opposition. *(Page 4)*

The EC foreign ministers are planning to discuss a joint response to the US initiative on Atlantic relations at the EC Council session next month.  
*(Page 5)*

The shooting that disrupted Juan Peron's return to Argentina yesterday is likely to accentuate the strains between the former dictator and President Campora. *(Page 6)*

Chilean President Allende has less room to maneuver now that the Communists have joined the Socialists to force a harder government line against the opposition. *(Page 7)*

**FOR THE PRESIDENT ONLY**

**FOR THE PRESIDENT ONLY**

**YUGOSLAVIA**

*The party is tightening its control over the military, apparently to head off problems during the post-Tito era. Since the first of the year, party journals have warned the generals to stay out of politics*

25X1

25X1

*Military influence has been strong in recent years, largely because of its exceptional unity, and on occasion Tito has had to depend on the military for decisive support against troublesome party factions. Now that Tito's drive for party unity has had some success, the party evidently feels strong enough to move to prevent the military from becoming a rival for political power.*

25X1

*The party is also moving to gain control of the security apparatus.*

25X1

**FOR THE PRESIDENT ONLY**

**FOR THE PRESIDENT ONLY**

**LIBYA-EGYPT**

Differences between Cairo and Tripoli are sharpening as September 1, the deadline for union, draws closer. The Egyptians are worried about and disdainful of Qadhafi's "cultural revolution," and their references to him and his country are taking on an obliquely critical tone. In an interview in Tripoli last week, Sadat wished Qadhafi's "experiment" success in Libya, but noted that only time will tell whether it is suitable for other Arabs. He made little reference to union.

Cairo press treatment also has become more caustic. Yesterday an influential columnist criticized "bombshell measures" that have a temporary popular impact, but do not take into account the "greater realities"--the most severe public chiding Qadhafi has received from Cairo.

Sadat and Qadhafi have made little progress in working out the details of the proposed union. According to one projected timetable, the formal proclamation will be followed by the appointment of a nominal cabinet and the ratification of a new constitution.

Qadhafi's position in the new state presents the most immediate problem.

25X1

Qadhafi is slated to assume the vice-presidency, but he apparently is reluctant to accept a position which might constrain his freedom of action. Although Qadhafi has frequently stated that Sadat must accept the presidency, he reportedly envisions the merger as a means of eventually dominating Sadat.

25X1

*The Libyan leader will probably angle for a role that will give him direct access to the military and freedom to direct his cultural revolution. He may believe he can establish control over a mass political movement throughout the merged state and thereby secure strong leverage over Sadat.*

**FOR THE PRESIDENT ONLY**

**FOR THE PRESIDENT ONLY**

**VIETNAM**

Hanoi continues to move large numbers of civilians, together with their belongings and livestock, into the DMZ and the Communist-controlled portions of South Vietnam's Quang Tri Province.

A recent intercept indicates that as of May 28 some 19,500 civilians had been transferred to these areas and that transportation had been arranged to move an additional 5,500 south by June 10--the target date for completing the "resettlement." Many of those moved into Quang Tri were identified as families returning to homes that they had fled during the war.

*The Communists have recently established a provincial government in Quang Tri, and North Vietnamese engineers have been building new storage areas, roads, and housing throughout the part of the province they control. Hanoi may hope that by returning politically reliable southerners they can use the area as both a showplace and as a means of attracting some of the refugees from Quang Tri who now live in government-controlled territory in northern South Vietnam.*

**FOR THE PRESIDENT ONLY**

**FOR THE PRESIDENT ONLY**

**ITALY**

Hard bargaining on the terms for a new government will begin now that President Leone has named Mariano Rumor as prime minister - designate. Rumor, a moderate Christian Democrat, was interior minister in Andreotti's government and had been prime minister in center-left governments in 1968 and 1970.

Rumor will face the difficult task of trying to bring the Socialist Party back into the government after a year of opposition. In approaching the negotiations, his party and other potential coalition members will seek assurances that the Socialists will not gravitate toward the Communists. In addition, Rumor apparently intends to insist that his new government be based on advance agreement on specific economic and social reforms.

Should Rumor succeed in bringing the Socialists into the coalition, the new government would be composed of the same parties that governed the country for the nine years preceding 1972. Such a lineup would give a more comfortable parliamentary majority, in contrast to the paper-thin margin which hampered Andreotti's centrist coalition.

**FOR THE PRESIDENT ONLY**

*FOR THE PRESIDENT ONLY*

EC-US

The EC foreign ministers are planning to discuss a response to the US initiative on Atlantic relations at the EC Council session on July 23. The French are reluctantly cooperating in the preparations. Some member countries oppose focusing on substance at the outset, however. Belgian Foreign Office Political Director Davignon, for example, believes that such a tack would only lead to a confrontation with the French, and that Paris must be brought along step-by-step. This strategy is threatened, Davignon believes, by the US tendency to "reward" France for its obstructionism by making bilateral approaches. Davignon therefore hopes that Dr. Kissinger will delay a trip to Europe until after the July meeting.

Last week's NATO ministerial also endorsed a study of Atlantic relations, although most EC members were reluctant to imply that NATO objectives or strategies should be changed. Non-EC members, however, pushed for such a study out of concern that "bilateralism" between the US and the EC--as the Canadians put it--could erode the NATO consultative process.

*FOR THE PRESIDENT ONLY*

**FOR THE PRESIDENT ONLY**

## ARGENTINA

The shooting that disrupted Juan Peron's homecoming yesterday, taking the lives of at least 20 persons and injuring several hundred more, is likely to accentuate the strains between the former dictator and President Campora. Peron had already been upset with Campora's inept handling of the terrorist problem and internal Peronist divisions.

[redacted] Peron [redacted] decided that [redacted]  
he would force Campora to resign and have himself appointed president by the Peronist-dominated congress. The shooting may provide him the opportunity to sound out top military officers and political leaders before making any move.

Peron has promised to clarify his plans in an address to the nation tonight. His age and desire to spend much of his time on foreign affairs may lead Peron to decide against taking the presidency. In any event, he will play the decisive role in the government. In the coming weeks, Peron will seek to stabilize Argentina's political situation, which now borders on anarchy.

25X1  
25X1

**FOR THE PRESIDENT ONLY**

**FOR THE PRESIDENT ONLY**

**CHILE**

Communist leaders have joined the Socialists to force on President Allende a harder line against the opposition. Last weekend, the two joined to give Allende an unprecedented public rebuke for meeting with striking copper workers, and thereby stalled his efforts to negotiate an end to the costly walk-out.

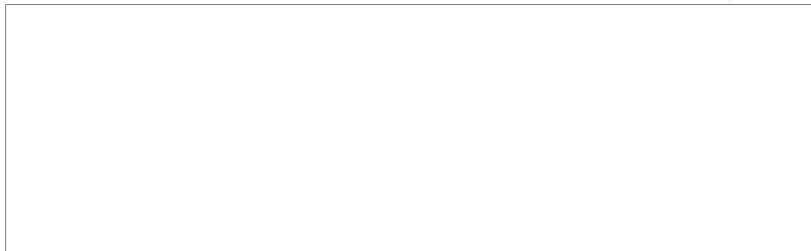
The rare agreement between the rival Communists and Socialists reduces Allende's room to maneuver. Particularly noteworthy is the marked shift by the Communists--the most pragmatic and cautious members of the Marxist coalition--away from their usual support for Allende's strategy of compromise. Their new hard line includes support for the use of violence.

Meanwhile, Allende continues to press for inclusion of the armed services and national police in his cabinet, although he is having trouble finding terms acceptable to both military and coalition leaders. The Socialists, perhaps reassured by the effectiveness of the army and police crackdown on the opposition, may be softening their opposition to these efforts, however.

The security forces themselves continue to earn their pay handling almost constant pro- and anti-government demonstrations. Leaders of Allende's coalition have scheduled for today a number of new demonstrations throughout Chile to upstage recent anti-government rallies and to show military leaders that the government retains widespread public support.

*FOR THE PRESIDENT ONLY*

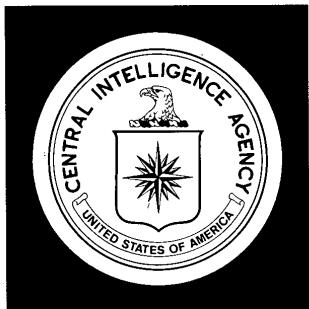
NOTE



25X1

*FOR THE PRESIDENT ONLY*

*Top Secret*



# The President's Daily Brief

22 June 1973

45



~~Top Secret~~ 25X1

Exempt from general  
declassification schedule of E.O. 14176  
exemption category 5B(1)(J), (2)(J), (3)  
declassified only on approval of  
the Director of Central Intelligence

**FOR THE PRESIDENT ONLY**

**THE PRESIDENT'S DAILY BRIEF**

22 June 1973

**PRINCIPAL DEVELOPMENTS**

The first two SS-11 launch groups being modernized in the eastern USSR seem likely to return to operational status this summer. (Page 1)

President Ceausescu's visit to West Germany next week will be a high point in his campaign to establish Romania's independent position. (Page 2)

Laotian Prime Minister Souvanna is ready to allow Pathet Lao battalions to be stationed on the outskirts of Vientiane and Luang Prabang. (Page 3)

Israeli Finance Minister Sapir visits Washington next week against a background of generally favorable economic trends in Israel. (Page 4)

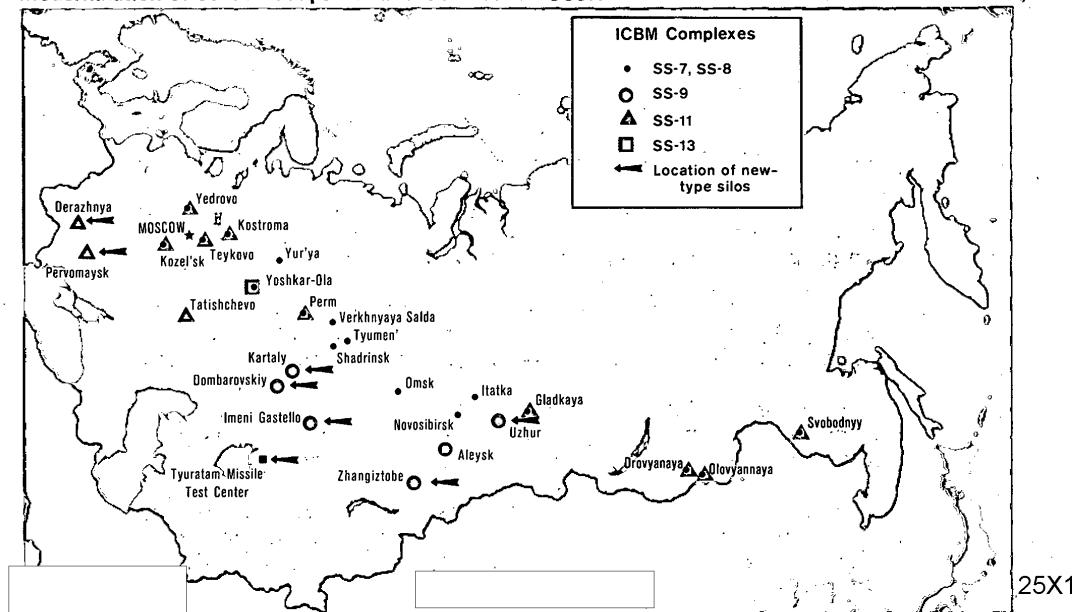
In his speech last night, Juan Peron implied that he planned no immediate changes at the top of the Campora government. (Page 5)

Notes on South Vietnam, [redacted] India, and Mexico-Cuba appear on Page 6.

25X1

**FOR THE PRESIDENT ONLY**

Modernization of SS-11 Groups Continues in Eastern USSR



25X1

**FOR THE PRESIDENT ONLY**

USSR

[redacted] the first two SS-11 launch groups undergoing modernization in the eastern USSR may return to operational status this summer. These silos probably will be equipped with the triple warhead variant of the SS-11--the Mod 3.

25X1  
25X1

Construction began on these ten-silo groups-- one at Drovyanaya and one at Svobodnyy--early this year. The excavation and trenching [redacted] now has been filled in. SS-11 equipment was present at several of the sites, apparently for checking out the compatibility of the missile with the modernized silos.

25X1

Construction also continues at at least three other SS-11 groups in the east.

Work on two additional launch groups may be about to begin. During the past three days the Soviets have launched five SS-11s from Olovyanaya, probably in order to empty the silos prior to modernization.

**FOR THE PRESIDENT ONLY**

**FOR THE PRESIDENT ONLY**

## **ROMANIA**

President Ceausescu will begin a four-day visit to West Germany next week. He will be seeking new German credits and increased economic ties across the board. On the political side, he will ask Chancellor Brandt to sign a joint declaration stressing the equality, independence, and territorial integrity of all states. Romania is pressing for broad acceptance of these principles as the cornerstone of future agreements on European security.

*Ceausescu's trip, the first by a Romanian chief of state to West Germany, will be a high point in his continuing campaign to establish Romania's independence among European nations.*

*The momentum of this effort has grown recently. His visit to Italy last month boosted bilateral economic cooperation, and on June 4 Romania became the first Warsaw Pact member to be granted tariff preferences by the European Community. Moreover, the Romanians are encouraged by the prospects for early achievement of MFN status with the US.*

*These agreements, of course, have as much political as economic significance for the Romanians. They read them as Western votes of confidence in Romania's future.*

\* \* \*

The party plenum this week was Ceausescu's show. No other presidium member addressed the gathering, and his wife was elected a full member of the executive committee. Ceausescu tried to undercut any criticism of the move by stressing the need to increase the role of women in society and proposing enlargement of the executive committee to make room for three more.

**FOR THE PRESIDENT ONLY**

**FOR THE PRESIDENT ONLY**

**LAOS**

Prime Minister Souvanna Phouma is prepared to accept the Communists' demand that three Pathet Lao battalions be stationed on Vientiane's outskirts and two others outside Luang Prabang to provide security for Lao Communist ministers.

*Souvanna, who hopes to meet his self-imposed deadline of July 1 for completion of a new agreement, is willing to meet the Communists' demand because he is convinced that they will not compromise. Communist negotiator Phoumi Vongvichit earlier had rejected government proposals for either a joint police force in the two cities or the use of neutralist troops provided by both sides.*

The Lao Army General Staff disapproves the arrangement, and Souvanna is trying to bring them into line. Chief government negotiator Pheng Phongsavan told the US chargé that Souvanna is ready to use his familiar tactic of threatening to resign should the generals prove obstinate.

**FOR THE PRESIDENT ONLY**

**FOR THE PRESIDENT ONLY**

**ISRAEL**

Finance Minister Sapir, who will be stopping in Washington next week in the course of an Israeli bond drive, is expected to talk to US officials about economic assistance for next year. Tel Aviv is upset over the announcement of a five-percent cut in US aid.

*The Israeli economy is in good shape, and the need for economic assistance has diminished in recent years. Israel has a high rate of inflation and a surplus of imports over exports, but these factors are outweighed by successful fund raising abroad, either in the form of bonds--which technically must be repaid--or outright donations and transfers. Such capital inflows, exclusive of US aid, have brought the country's balance of payments into the black.*

*Between 1970 and the end of 1972, foreign exchange reserves rose from \$425 million to almost \$1.5 billion. Through the end of May 1973, reserves increased another \$200 million, and the trend is expected to continue throughout the remainder of the year. Meanwhile, the growth in Israel's imports has been held down, while exports are continuing to rise.*

**FOR THE PRESIDENT ONLY**

**FOR THE PRESIDENT ONLY**

**ARGENTINA**

In his speech to the nation last evening with a silent President Campora at his side, Peron called on the military to defend the legally elected government--thus implying that he planned no immediate changes at the top. The former dictator also announced that he would soon tour the country.

*Further assessment of the airport shoot-out could nevertheless put a damper on Peron's plans for public appearances and cause him to reconsider how much he will directly involve himself in government affairs. In the past, he has been almost paranoid in his fear of an assassination attempt.*

25X1

25X1

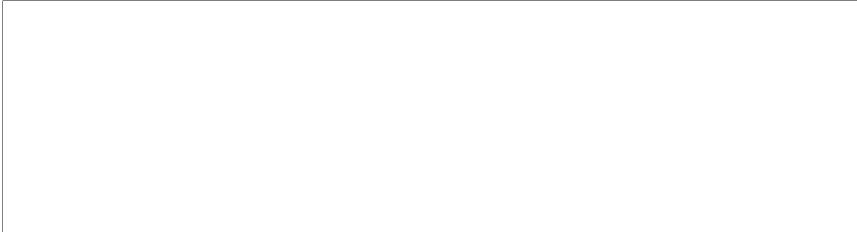
**FOR THE PRESIDENT ONLY**

*FOR THE PRESIDENT ONLY*

NOTES

South Vietnam: Military action has declined to one of the lowest levels since the cease-fire in January. Most action continues to involve local units or small groups of regular troops. In Kontum Province, however, the government has made extensive use of aircraft, artillery, and infantry in an unsuccessful attempt to recapture villages lost two weeks ago. Most South Vietnamese officials continue to express pessimism over the outlook for peace, especially as long as Hanoi's troops remain in the South, and press commentary is avoiding any predictions that genuine peace is near.

25X1



India: New Delhi plans to buy four million tons of US grain for the year ending next March, according to the minister of agriculture--one million more than previously indicated. The minister has told Ambassador Moynihan that one million tons must be delivered by September. Meeting this target will be extremely difficult. The Indian Supply Mission in Washington has barely begun to act on orders received last month to begin buying grain, and the shortage of shipping continues.

25X1



25X1

*FOR THE PRESIDENT ONLY*

*Top Secret*



# The President's Daily Brief

23 June 1973

45



~~Top Secret~~ 25X1

Exempt from general  
declassification schedule of E.O. 14176  
exemption category SR(1)(2)(3)  
declassified only on approval of  
the Director of Central Intelligence

*FOR THE PRESIDENT ONLY*

THE PRESIDENT'S DAILY BRIEF

23 June 1973

PRINCIPAL DEVELOPMENTS

COSVN guidelines on the "new" cease-fire, disseminated in South Vietnam in mid-June, maintain the Communists' emphasis on political struggle. (Page 1)

The dollar weakened in major European centers yesterday and fell to record lows in Frankfurt, Amsterdam, and Copenhagen. (Page 2)

The EC's readiness to negotiate two major trade issues--the community's approach to multilateral trade negotiations and compensation owed the US and other trade partners for trade losses resulting from the EC's enlargement--will be tested at the Council meeting on Monday and Tuesday. (Page 3)

25X1

[Redacted]  
World rice stocks have dwindled, and the situation may worsen still further over the near term. (Page 5)

A Chinese Foreign Ministry official has been accompanying a touring ping-pong team to discuss political matters with some of Peking's Southeast Asian neighbors. (Page 6)

Lao Prime Minister Souvanna, under pressure from army generals and other rightists, has now decided against accepting Communist demands for stationing Pathet Lao troops on the outskirts of Vientiane and Luang Prabang. (Page 7)

*FOR THE PRESIDENT ONLY*

**FOR THE PRESIDENT ONLY**

**SOUTH VIETNAM**

COSVN guidelines on the "new" cease-fire [redacted] maintain the Communists' emphasis on political struggle. They suggest that, for the present at least, the Communists will attempt to work within the cease-fire agreement and keep military action to a minimum.

25X1

[redacted] the Communists had two major objectives in negotiating the joint communiqué of June 13. These were to end all fighting and implement a "true cease-fire" and to force Saigon to "promulgate and respect the democratic liberties of the people." The other parts of the communiqué, such as the delineation of territory, "are not very important," [redacted] since the Communists do not seek any permanent division of South Vietnam.

25X1

25X1

The directive emphasizes the importance of developing political action both within the VC-controlled zones and in government-held areas.

*The Communists recognize that the Thieu government controls most of the people; if the Viet Cong remained isolated in "liberated areas," it would be virtually impossible for it to undermine the government.*

25X1

25X1

25X1

**FOR THE PRESIDENT ONLY**

## **INTERNATIONAL MONETARY DEVELOPMENTS**

The dollar weakened in major European centers yesterday and fell to record lows in Frankfurt, Amsterdam, and Copenhagen. The improvement in the US balance of payments had little impact on foreign exchange markets, apparently having been discounted in advance. The mark continues to consolidate its position at the top of the European band of floating currencies.

The Bank of France and the West German Bundesbank are jointly extending a \$1-billion credit to the Bank of Italy to help support the lira, currently the weakest major currency. In addition, all EC central banks, including those of France and West Germany, will provide up to another \$1.9 billion in short-term monetary support for Rome.

Although there is concern in Switzerland at the continued weakness of the dollar in relation to the Swiss franc, the President of the Swiss National Bank reportedly feels that the floating of the franc has worked "amazingly" well. Consequently, the central bank has made no attempt to control the franc-dollar exchange rate.

Despite the dollar's recent downward drift in Europe, it has gained against the Japanese and Canadian currencies; these two countries account for 40 percent of US trade.

**FOR THE PRESIDENT ONLY**

**FOR THE PRESIDENT ONLY**

## EUROPEAN COMMUNITIES

*The Council meeting on Monday and Tuesday will test the EC's readiness to negotiate two major trade issues: the community's approach to multilateral trade negotiations and compensation owed by the EC to the US and the community's other trade partners for trade losses resulting from the EC's enlargement. There are a number of indications that France may be ready to permit the EC to move ahead on both questions.*

Both French and other community officials have reported that Paris may not be averse to compromises which would break the deadlock on the compensation issue and at the same time would permit the EC to adhere to its past position that nothing is "legally" owed the US. Consistent with this posture, the Belgian Foreign Minister may propose at the meeting that the EC Commission be authorized to explore compensation to the US for a "few highly sensitive products."

French willingness to compromise has already permitted progress in revising the community's approach to multilateral trade talks. French flexibility has been particularly apparent in relaxing insistence on a connection between monetary and trade negotiations, in lessening the emphasis on tariff "harmonization" as a goal in negotiations, and in modifying Paris' contention that the EC should take the position that it is owed concessions for the trade liberalization it has already effected.

*Substantial agreement on a community approach at the Council session would permit the EC to participate in a positive way at the GATT preparatory committee in July. This would be the last major session before the scheduled ministerial meeting in Tokyo in September.*

**FOR THE PRESIDENT ONLY**

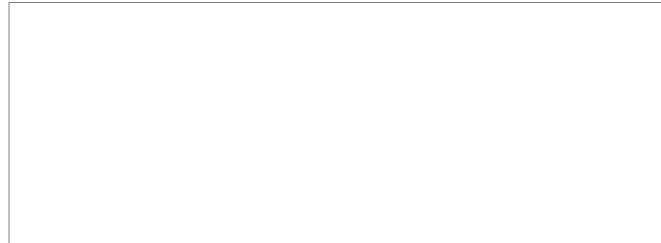
*FOR THE PRESIDENT ONLY*

PAKISTAN-BANGLADESH-INDIA

25X1



25X1



25X1



25X1



*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

**WORLD RICE**

World rice stocks have dwindled and only sporadic sales have been registered in recent months. Total world rice exports in 1973 may be as low as six million tons, compared to eight million last year. A number of major rice consumers--Indonesia, the Philippines, Singapore, Cambodia, and South Vietnam--are seeking to make purchases on the world market, but with little success so far.

Conditions in the major producing countries suggest the situation will worsen over the near term:

- Thailand, in early June, banned further rice export commitments at least until August.
- Burma may not sell more than 100,000 tons this year, about a fifth of its exports in 1972.
- Japan's rice exports may fall short of the 400,000 tons it sold last year if Tokyo decides to reserve its remaining stocks for domestic feedgrain.
- China has little if any rice available for sale now, although its early harvest, which begins next month, may produce some for export.
- The US harvest, normally the earliest fall harvest of the major exporters, has been delayed and trimmed by heavy rains. Although the 1973 US harvest will be about 12 percent above last year, the late harvest and lack of carry-over stocks will hold down exports for the remainder of the year.

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

**CHINA-THAILAND**

Cheng Jui-sheng, the head of the Southeast Asian Affairs section of China's Foreign Ministry, has been accompanying a touring Chinese ping-pong team to discuss political matters with some of China's neighbors. Cheng reportedly met several times with Thai officials in Bangkok this week, where he probably reiterated Peking's willingness to discuss Chinese material and propaganda support for Thai insurgents. Thai leaders indicated publicly this week that assurance on an end to such support is a major precondition to normalizing relations with China.

The ping-pong team moves next to Burma, where Cheng will presumably try to ease Rangoon's growing concern over Chinese-supported insurgency in Burma's far northeast.

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

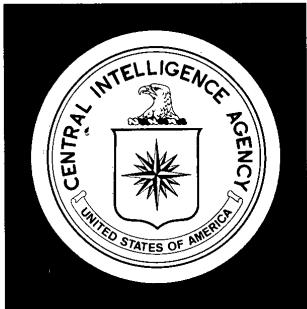
NOTE

Laos: Prime Minister Souvanna, under pressure from Lao Army generals and other rightists, has now decided against accepting Communist demands that Pathet Lao troops be stationed on the outskirts of Vientiane and Luang Prabang. [redacted]

25X1  
25X1

*FOR THE PRESIDENT ONLY*

*Top Secret*



# The President's Daily Brief

25 June 1973

45

Top Secret 25X1

Exempt from general  
declassification guidelines 1.2.O 11652  
exemption category 5B(1)(2)(C)(D)  
declassified only on approval of  
the Director of Central Intelligence

**FOR THE PRESIDENT ONLY**

**THE PRESIDENT'S DAILY BRIEF**

25 June 1973

**PRINCIPAL DEVELOPMENTS**

Pyongyang's sharp reaction to Seoul's announcement of a new flexible foreign policy makes it clear that the North remains reluctant to give up entirely any prospect of reunification of Korea on Communist terms. (Page 1)

25X1

Bolivian President Banzer is [redacted]  
[redacted] scheduling national elections and a return to constitutional rule. (Page 2)

25X1

**FOR THE PRESIDENT ONLY**

**FOR THE PRESIDENT ONLY**

**KOREA**

Pyongyang has once again made it clear that it opposes any moves toward a "two-Koreas" settlement. Reacting sharply to Seoul's announcement of a new and more flexible foreign policy, Premier Kim Il-sung on Saturday flatly rejected membership in the United Nations until a "confederation" of the two states is achieved. While insisting that the North and South should not join the UN separately, he affirmed that any discussion of the Korean question at the UN this fall should include a North Korean observer.

*Kim clearly remains reluctant to give up entirely any prospect of reunification on Communist terms and is concerned that a dual-membership formula could win broad international support for a permanent division of the peninsula.*

To offset the effect of South Korea's moderation, Kim recited a litany of complaints against Seoul for the present impasse in the North-South talks. He again called for a mutual reduction in armed forces, the withdrawal of US troops, an end to US military assistance, and an expansion of contacts between the peoples of the North and South.

Kim expressed particular concern over the degree to which big-power politics could affect the Korean situation, charging that Washington tries to "maintain colonial domination by suppressing small countries, while improving its relations with big ones."

Despite this implied criticism of Peking, Chou En-lai quickly offered "firm" support for the views expressed by Kim.

**FOR THE PRESIDENT ONLY**

*FOR THE PRESIDENT ONLY*

BOLIVIA

President Banzer has announced that the country will return to constitutional rule in 1974. His plans call for holding elections next February for a national assembly, which will then select a president. [redacted] opposition parties will be permitted to enter candidates, but will be strictly regulated so that Banzer's National Popular Front will hold a strong majority in the new assembly.

25X1

25X1

25X1

25X1

25X1

*FOR THE PRESIDENT ONLY*

**FOR THE PRESIDENT ONLY**

**NOTES**

France-EC:

[redacted] contrary to earlier indications, Paris is not prepared to have the EC compensate the US for trade losses resulting from the community's enlargement from six to nine members. [redacted]

25X1

25X1

25X1

25X1

Cambodia: The High Political Council has finally named Major General Sosthene Fernandez to the newly-created post of commander in chief of the armed forces, according to a Cambodian press release. Fernandez will also retain his job as army chief of staff. The filling of the new position had been sharply disputed within the Council for two months, largely because Prime Minister In Tam opposed Fernandez for personal reasons. Fernandez' authority will still be circumscribed, however, if President Lon Nol continues to function as supreme commander.

**FOR THE PRESIDENT ONLY**

*Top Secret*



# The President's Daily Brief

26 June 1973

45



~~Top Secret~~ 25X1

Exempt from general  
declassification schedule of E.O. 14176  
exemption category 5B(1),(2)(3)  
declassified only on approval of  
the Director of Central Intelligence

*FOR THE PRESIDENT ONLY*

THE PRESIDENT'S DAILY BRIEF

26 June 1973

PRINCIPAL DEVELOPMENTS

Greek

225X1

(Page 1)

25X1

Romania appears to be building ten Chinese-designed gunboats, which will be the country's first non-Warsaw Pact arms. (Page 2)

Brussels is urging NATO to revamp the procedural system for the MBFR talks so that smaller countries will have a larger role. (Page 3)

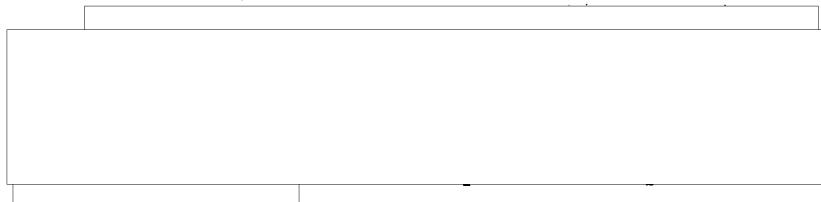
On Thursday, EC finance ministers will renew their efforts to find some common ground on how to promote monetary union and fight inflation. (Page 4)

Notes on the USSR and Iceland appear on Page 5.

*FOR THE PRESIDENT ONLY*

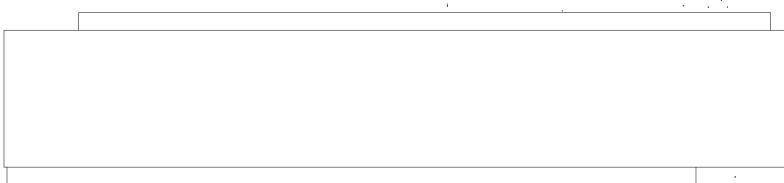
*FOR THE PRESIDENT ONLY*

GREECE



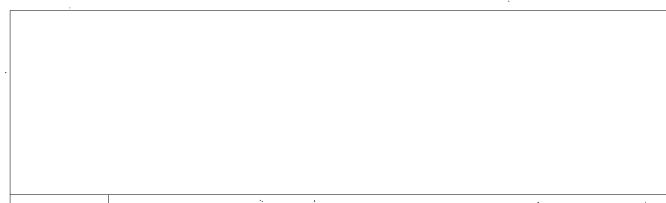
25X1  
25X1

25X1



25X1  
25X1

25X1



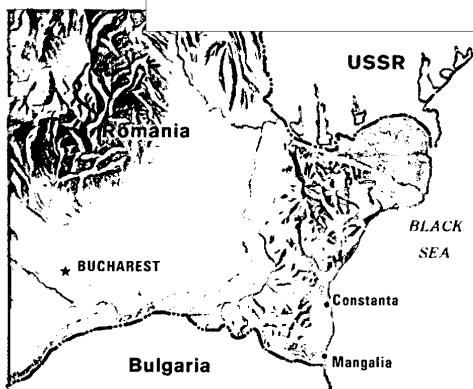
25X1

25X1

*FOR THE PRESIDENT ONLY*

**Romania Building Chinese-Designed Gunboats**

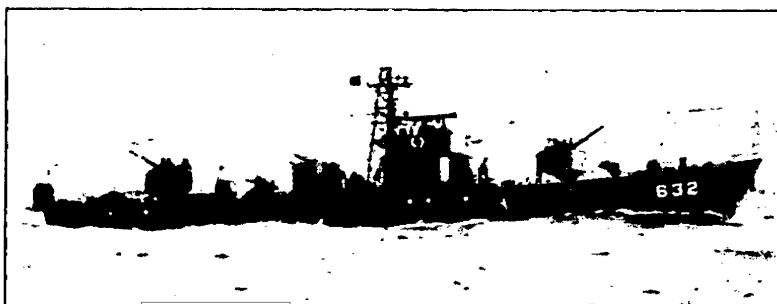
25X1



25X1

**Shanghai-Class Gunboat**

Length	128 feet
Displacement	155 tons (full load)
Propulsion	4 diesel engines
Maximum speed	32 knots
Armament	4 37-mm antiaircraft guns 4 25-mm antiaircraft guns 1 75-mm recoilless rifle depth charges and mines



25X1

**FOR THE PRESIDENT ONLY**

**ROMANIA-CHINA**

[redacted] what appear to be ten Chinese-designed motor gunboats being built at Romania's Mangalia shipyard. Construction of the gunboats began about a year ago. They will be Romania's first non-Warsaw Pact arms since World War II.

25X1

The gunboats probably are being built with Chinese assistance. The program is an important step in Bucharest's drive to diversify its sources of arms and to build up its domestic armaments industry. Romania is also engaged in a joint project with Yugoslavia to build fighter aircraft and possibly submarines.

The gunboats may be part of a \$300-million package of credit assistance that Peking granted Romania in late 1970. High-level Sino-Romanian military exchanges have become commonplace since the Soviet-led occupation of Czechoslovakia five years ago. The Romanian chief of staff, General Ion Gheorghe, is currently visiting Peking.

President Ceausescu may have been trying to head off Soviet reaction to the gunboat project in a speech on May 30 when he said Romania intended to continue getting most of its arms from the USSR. Moscow will nevertheless almost certainly express its displeasure, even though the gunboats will not greatly improve the Romanian Navy's extremely limited capabilities.

**FOR THE PRESIDENT ONLY**

**FOR THE PRESIDENT ONLY**

**BELGIUM-MBFR**

Belgian officials are urging the North Atlantic Council to consider revamping the procedural system for the MBFR talks. They would like to broaden the negotiating format from a four-country "emissary system"--the US, a West European, the USSR, and an East European--to a regular schedule of full-scale plenary meetings. Another proposal would limit the decision-making mandate of the ad hoc group of Western representatives in Vienna, requiring that its work be subjected to frequent review by the national governments concerned as well as by the North Atlantic Council.

*The Belgian effort stems from Brussels' dissatisfaction with the small role it played in the MBFR preparatory phase and its fear that a reduction of US forces in Europe will affect Belgian security. The Belgian proposals--which, if adopted, would slow the tempo of negotiations and give smaller countries greater control over the formulation of Western negotiating positions--are designed to contain domestic pressures and justify the country's participation to skeptical defense officials.*

*The UK and West Germany will probably be willing to adopt certain compromises in order to allay the fears of their allies. Although the Belgians have gone furthest in dramatizing their concerns--having broken ranks with the others on several occasions--other small allies would like to see more plenary meetings. Most allies probably will eventually settle for a combination of more regular plenary sessions in which positions could be presented and agreements recorded, supplemented by working committees and emissary meetings where much of the negotiating would be done.*

**FOR THE PRESIDENT ONLY**

**FOR THE PRESIDENT ONLY**

## EUROPEAN COMMUNITIES

*Member governments remain sharply divided on how to move toward monetary union and against inflation. EC finance ministers will renew their efforts to find common ground when they meet on Thursday, but seem unlikely to reach a consensus for community action.*

The Commission has proposed that member countries allocate 20 percent of their monetary reserves to a common pool to help maintain the narrow European currency band. The French favor the pooling of reserves, but are unwilling to give EC institutions the supranational authority necessary to make the pool a part of an effective monetary union. The Germans oppose further steps toward union without vesting the EC with this authority and providing for the harmonization of monetary and fiscal policies.

The Commission is again urging strong action to stem inflationary pressures, which are being aggravated by the community's rapid economic expansion. The measures proposed by the Commission last January, however, have been largely ignored by all member countries.

*Except for proposed tariff measures, anti-inflationary policy tools remain under the control of member governments, and monetary and fiscal action will be taken only when domestic political climates are favorable. On the tariff measures, the French probably will oppose the German recommendation for unilateral external tariff reductions, which they view as prejudicial to the upcoming GATT negotiations.*

**FOR THE PRESIDENT ONLY**

**FOR THE PRESIDENT ONLY**

**NOTES**

USSR: [redacted]

25X1  
25X1

[redacted] the Soviets have launched their fourth D-class submarine at Severodvinsk on the White Sea. Two other D-class units are now fitting out there, and earlier this month the first D-class returned to the shipyard after a shakedown cruise. The first D-class launching at Komsomolsk in the Far East is expected soon. The D-class is designed to carry 12 ballistic missiles with a range of 4,300 nautical miles.

Iceland: The government yesterday formally invoked Article VII of the 1951 defense agreement with the US. Under this provision NATO is to review the continuing need for the Keflavik base, but if a new accord is not reached in six months, either the US or Iceland can give a 12-month termination notice. Iceland's willingness to participate in meaningful negotiations still depends on resolving its dispute with the UK and West Germany over fishing limits.

**FOR THE PRESIDENT ONLY**

*Top Secret*



# The President's Daily Brief

27 June 1973

45



~~Top Secret~~ 25X1

Exempt from general  
declassification under E.O. 11652  
exemption category 5B(1), 5D(1)  
declassified only on approval of  
the Director of Central Intelligence

*FOR THE PRESIDENT ONLY*

**THE PRESIDENT'S DAILY BRIEF**

27 June 1973

25X1

**PRINCIPAL DEVELOPMENTS**

Two Greek ships have triggered mines in a field off  
the Libyan coast. [redacted] (Page 1)

25X1  
25X1

Intensified strains within Libya's ruling Revolutionary Command Council seem to center on [redacted]  
[redacted] after the merger with Egypt and on the post-September role of Qadhafi's  
[redacted] (Page 2)

25X1

Uruguay's President Bordaberry, supported by key military officers, apparently dissolved congress last night and plans to establish a junta of civilians and military officers. (Page 3)

Despite having signed a preliminary agreement with US firms, the Soviets are encouraging the Japanese to stay in the bidding for participation in the Yakutsk natural gas project. (Page 4)

In Argentina, the government apparently plans a determined drive to suppress extremism both within and outside the Peronist movement. (Page 4)

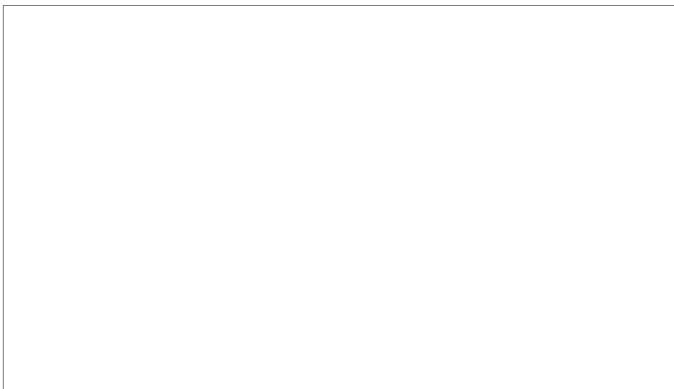
*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

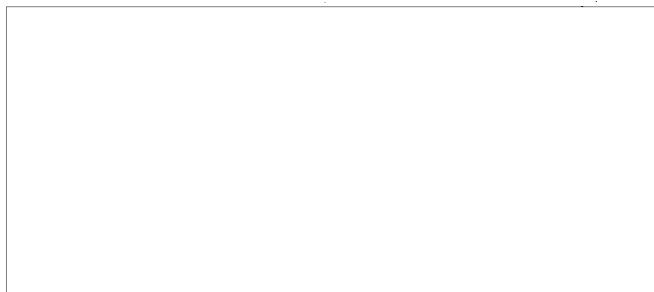
**LIBYA-GREECE**

Two Greek ships have triggered mines off the Libyan coast near Tripoli in the last few days, apparently with no loss of life. The Greek Government has not reacted officially and indeed might originally have hoped to play down the incidents; government officials ascribed the first explosion to a mine left over from World War II.

25X1



25X1



*FOR THE PRESIDENT ONLY*

**FOR THE PRESIDENT ONLY**

**LIBYA**

Strains within the ruling Revolutionary Command Council have again intensified. The issues are unclear, but seem to center on the positions to be given Libyan officials after the merger with Egypt, as well as the post-September role of Qadhafi's "cultural revolution." [redacted]

25X1  
25X1

[redacted] Sadat [redacted]  
[redacted] concerned over the erratic behavior of the Libyan leadership and the possible disruptive impact of the cultural revolution on a merged state; his reservations probably precipitated heated debate within the RCC.

25X1  
25X1

As a result of the dispute, the temperamental Qadhafi apparently threatened to resign last week. [redacted]

25X1

[redacted] meanwhile the Egyptian press is depicting the visit as a normal step in the preparations for union.

25X1

*In the past, Qadhafi has effectively used the threat of resignation to influence the RCC, and this ploy seems to be working again.* [redacted]

25X1  
25X1  
25X1  
25X1

[redacted] and the Libyan press has made sentimental appeals to Qadhafi as the "only leader." [redacted]

**FOR THE PRESIDENT ONLY**

**URUGUAY**

President Bordaberry, supported by key military officers, apparently dissolved congress last night and plans to establish a junta of civilians and military officers.

Bordaberry's move followed the legislature's refusal to lift the congressional immunity of leftist Senator Enrique Erro so that he could be tried for collaborating with the Tupamaro guerrillas. [redacted]

25X1

25X1

The military may face a challenge from the Communist-controlled National Convention of Workers, Uruguay's principal labor organization, which has been threatening a nationwide strike should congress be closed.

**FOR THE PRESIDENT ONLY**

**FOR THE PRESIDENT ONLY**

**NOTES**

USSR-Japan: Even though the Soviets have signed a preliminary agreement with US firms, they are encouraging the Japanese to stay in the bidding for participation in the Yakutsk natural gas project. The Soviets have even said that the Japanese would have the opportunity to approve the choice of US firms to be involved in the project. Moscow's aim is to encourage competition between the US and Japan, thus strengthening the Soviet bargaining position once detailed negotiations with US firms begin. Although the Soviets consider Japanese involvement in the project useful, US technical know-how is critical to its success.

Argentina: The government apparently plans a determined drive to suppress extremism both within and outside the Peronist movement. President Hector Campora, clearly reflecting Peron's instructions, has warned guerrilla groups that violence will not be tolerated. Those who have occupied government offices will be evicted. Meanwhile, there is no sign of a stand-down in violence. So far this week, terrorists have assassinated a former Peronist congressman and kidnaped eight people including an Italian banker and an Argentine business executive.

**FOR THE PRESIDENT ONLY**

*Top Secret*



# The President's Daily Brief

28 June 1973

45

~~Top Secret~~ 25X1

Exempt from general  
declassification under E.O. 13526  
exemption category: SR(1)(2)(C)(1)  
declassified only on approval of  
the Director of Central Intelligence

*FOR THE PRESIDENT ONLY*

**THE PRESIDENT'S DAILY BRIEF**

28 June 1973

**PRINCIPAL DEVELOPMENTS**

NATO and Warsaw Pact representatives have agreed on MBFR participation and procedures, but will conclude the preparatory phase without having defined an agenda. (Page 1)

The Council of the European Communities has adopted its approach to forthcoming multilateral trade negotiations. (Page 2)

[redacted] Northern Ireland. (Page 3)

25X1

China [redacted]

(Page 4)

25X1

President Bordaberry and the military have moved to tighten their control over Uruguay following the dissolution of Congress. (Page 5)

In South Vietnam, the Communists have been realigning their main force units north of Saigon. (Page 6)

*FOR THE PRESIDENT ONLY*

**FOR THE PRESIDENT ONLY**

MBFR

The communiqué at the conclusion of the MBFR preparatory talks today records compromises by both the East and West.

--The West abandoned all references to the term "balanced" in the communiqué, including in the title of the talks. The Soviets read "balanced" to mean a larger reduction of Warsaw Pact than of NATO forces.

--The West gained reluctant Soviet agreement that the talks would consider "associated measures"--constraints on troop movements and activities--in conjunction with reductions.

--The communiqué partially endorsed the cautious, phased approach to the negotiations advocated by the West Germans.

--The communiqué failed to detail a specific agenda; the allies decided they could not win Soviet acceptance of many of the items in the Western proposals. Any direct participant can add relevant questions to the list, however.

The procedural arrangements worked out for the preparatory talks will also govern the negotiations. Eleven of the 19 delegations will participate in the decisions, but all can circulate papers and take part in the discussions. The agreement to disagree on the status of Hungary will be carried over to the negotiations, scheduled to begin in Vienna on October 30.

**FOR THE PRESIDENT ONLY**

*FOR THE PRESIDENT ONLY*

## **EUROPEAN COMMUNITIES**

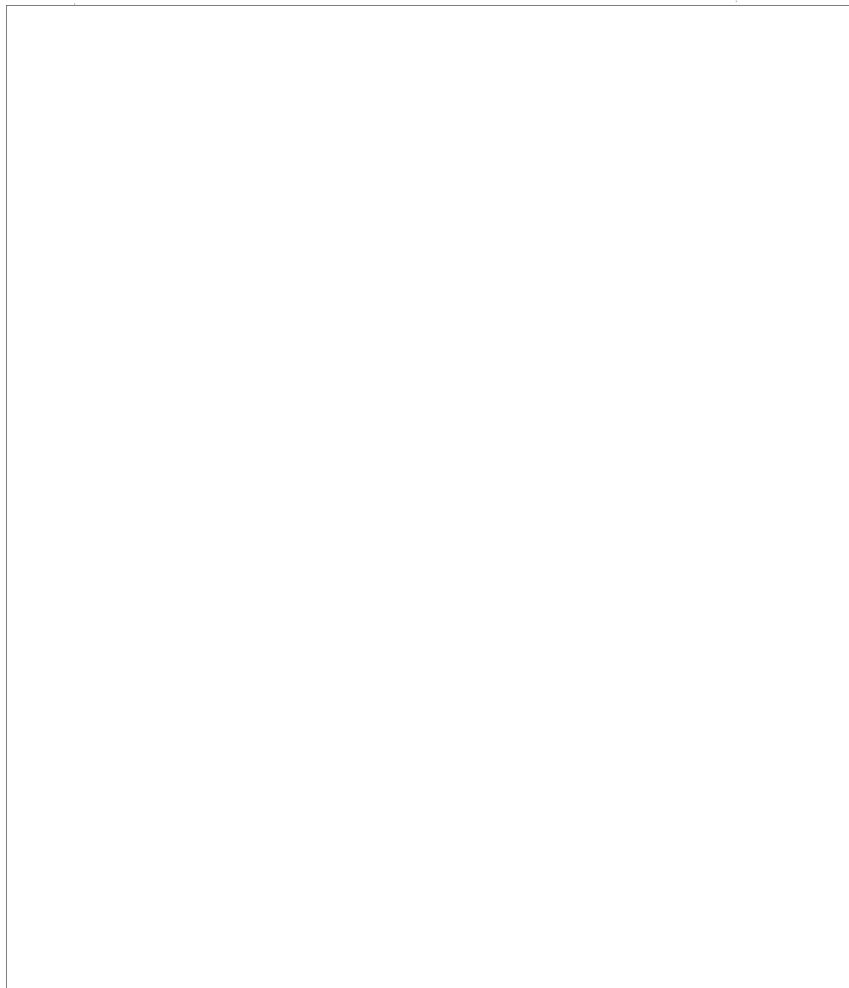
*The EC Council this week adopted its approach to the forthcoming multilateral trade negotiations. The EC, hoping to get the US to consider international monetary reform, has said that its position on trade negotiations will take such reform into account. With respect to tariffs, the EC is prepared to negotiate reductions but not general elimination. It has also revived the issue of tariff "harmonization"--a reduction of duties that would hit the US harder than the European countries. Moreover, the EC specifically rejected any attempt to use tariff concessions as a remedy for US balance-of-payments problems.*

*There are no signs of concessions beneficial to the US in the EC approach to agricultural negotiations; they have said that the principles and mechanisms of the Common Agricultural Policy are not negotiable.*

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

NORTHERN IRELAND



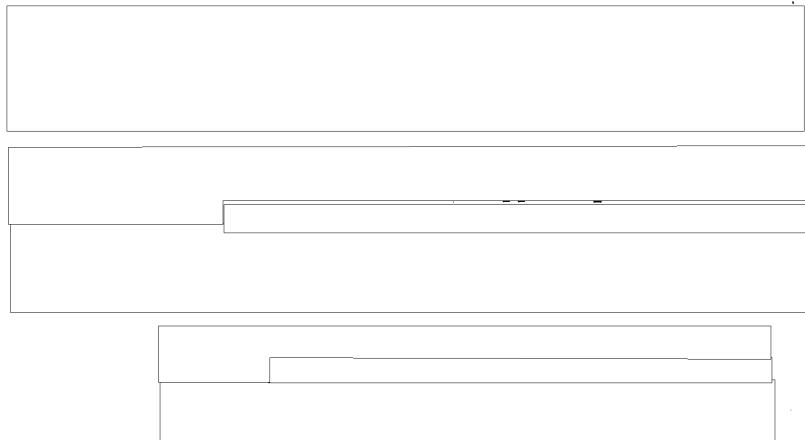
25X1

*FOR THE PRESIDENT ONLY*

25X1

*FOR THE PRESIDENT ONLY*

CHINA



25X1

*FOR THE PRESIDENT ONLY*

**FOR THE PRESIDENT ONLY**

**URUGUAY**

President Bordaberry and the military have moved to prevent criticism of their dissolution of Congress. The right of public assembly without prior authorization has been set aside, and the media have been forbidden to criticize executive actions.

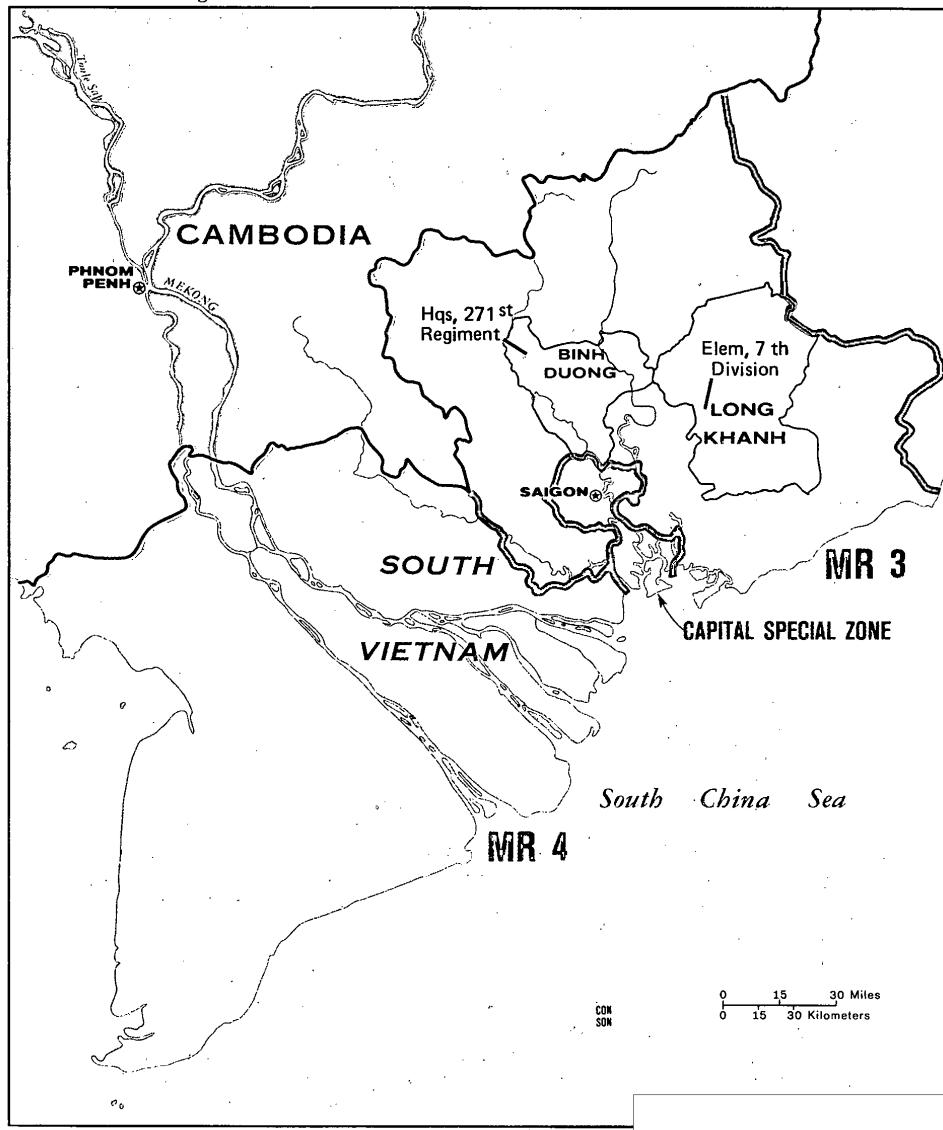
Uruguay's strongest labor confederation has called a general strike to protest the closing of Congress, but there is some disagreement among the leaders as to whether the strike should last 24 hours or indefinitely.

*The government reportedly is prepared to grant workers a 50-percent wage increase, which should soften labor's opposition. A school holiday until July 20 has already been declared, to minimize the prospect of student demonstrations.*

*To make the closing of Congress more palatable, civilians are to have as many seats as the military on the council of state that is to replace the legislature. Real power will clearly rest with the armed forces, however.*

**FOR THE PRESIDENT ONLY**

*Communists Moving Back Into Former Base Areas*



25X1

554453 6-73 CIA

**FOR THE PRESIDENT ONLY**

**NOTES**

South Vietnam: The Communists have been quietly reasserting their presence in key former base areas in an apparent effort to secure transportation routes and bring their supply system closer to government-held populated areas. They have now further realigned some of their main force units in the provinces north of Saigon, apparently as part of the general dispersal of such units that was first noted last month.

Japan-China: Japan's trade with China is increasing rapidly and should continue to expand as a result of recent sales of whole production plants to Peking. Trade between the two countries reached a new high during the first quarter of this year. Tokyo expects total trade with Peking to reach \$1.7 billion this year, compared with \$1.1 billion in 1972. Since last December, China has purchased seven complete petrochemical plants from Japan valued at \$237 million. Negotiations are now under way for the sale of a \$40-million steel mill to China. Delivery of these plants should begin late this year.

Thailand: Rebellious antigovernment university students are planning demonstrations during the next few days designed to discredit the government of Prime Minister Thanom. They have no illusions about bringing down the government, but are determined to proceed even if some of their number are arrested. Thanom has served public notice that he will move forcefully against the students, particularly if they should carry out their long-standing threat to demonstrate against US air bases in Thailand.

India-Pakistan: High-level talks between the two countries, stalled for almost a year, may resume early next month.

25X1

There are no indications that any of the three countries involved has significantly modified its position on the central issues in dispute--the fate of Pakistani prisoners in India, the future of the Biharis, and Pakistani recognition of Bangladesh--and the proposed meeting may be another false start.

**FOR THE PRESIDENT ONLY**

*Top Secret*



# The President's Daily Brief

29 June 1973

45



~~Top Secret~~

25X1

Exempt from general  
declassification schedule of E.O. 11652  
except category 5B (1)(2)(3)  
declassified or on approval of  
the Director of Central Intelligence

*FOR THE PRESIDENT ONLY*

LATE ITEM

According to late press reports this morning, West Germany has revalued the mark upward by 5.5 percent. The growing strength of the mark has been creating problems both for the dollar and the European joint float. These problems are discussed on page 1.

*FOR THE PRESIDENT ONLY*

**FOR THE PRESIDENT ONLY**

**THE PRESIDENT'S DAILY BRIEF**

29 June 1973

**PRINCIPAL DEVELOPMENTS**

The dollar remained under heavy pressure in Europe yesterday, as traders continued to favor the mark. The growing strength of the mark is also causing problems for the European joint float. (Page 1)

The Soviets appear to be deactivating a number of their SS-7 intercontinental ballistic missile launchers at 17 operational "soft" sites. (Page 2)

The Japanese are worried that the US embargo on soybean exports may lead to more permanent controls. (Page 3)

**FOR THE PRESIDENT ONLY**

*FOR THE PRESIDENT ONLY*

## INTERNATIONAL MONETARY DEVELOPMENTS

The dollar remained under heavy pressure in Europe yesterday, as exchange traders continued to favor the mark. The growing strength of the mark is also creating problems for the European joint float. European central banks have been forced to intervene heavily to maintain the band.

The Bundesbank reportedly purchased some \$400-600 million in various European currencies yesterday. Last week, the bank purchased nearly \$400 million in guilders to keep the Dutch currency within the band. Other central banks sold smaller amounts of marks; the French Central Bank sold marks for the first time since the joint float was initiated.

The mark's strength is generating pressures that could force some restructuring, or even the breakup, of the band. Exchange rate changes may be considered as an alternative to abandoning the band, however.

There are strong rumors in Europe that the mark will be revalued, despite a denial yesterday by West German Finance Minister Schmidt. Many Germans, including the economics minister, are not opposed to revaluation, and believe it would help the government's anti-inflation efforts.

If the mark is not revalued, the other members of the joint float may consider devaluing their currencies relative to the mark. They fear that over the long term, the appreciation of their currencies would adversely affect their trade with the US and other countries outside the joint float. These countries probably are also unwilling to allow the drain of marks from their treasuries to continue indefinitely.

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

USSR

25X1

25X1  
25X1

25X1

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

**JAPAN**

The US embargo on soybean exports on June 27 has led to an immediate increase in Japanese commodity prices; soybean prices alone rose five percent. Tokyo has closed its futures market for soybeans, and one official said that the Japanese might be forced to take unspecified emergency measures.

*Although Japanese officials have attempted to downplay for domestic audiences the significance of the embargo, they clearly are worried that the restriction will lead to more permanent controls that could be extended to grains as well.*

*Japan depends on the US for about 90 percent of its soybean supply and roughly half of its total supply of corn, wheat, and sorghum. The Japanese currently have a two-month stock of soybeans and had contracted for the remainder of their needs for 1973. The embargo could invalidate some of these contracts.*

*Tokyo already has argued that, as the largest consumer of US agricultural exports, Japan should be given special consideration in any future allocation of commodities available for export.*

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

NOTES

Argentina: The new Peronist government has placed before Congress its bill to transfer foreign investments to Argentine nationals. The bill does not involve outright expropriation, but would require the sale of majority holdings to Argentines, limit capital and profit remittances, and severely restrict new foreign investment. Nearly all of the estimated \$3 billion total foreign investment, of which about half is US, could be affected.

Egypt-Israel: [redacted]

25X1  
25X1

25X1(1)  
25X1

Morocco-Syria: Over 400 Moroccan infantry troops are now in Syria, [redacted] More than 2,000 Moroccan Army personnel are scheduled to be sent to Syria.

25X1

*FOR THE PRESIDENT ONLY*

*Top Secret*



# The President's Daily Brief

*30 June 1973*

45

~~Top Secret~~ 25X1

Exempt from general  
declassification schedule (11652  
exemption category 5B(1), (2), (3))  
declassified only on approval of  
the Director of Central Intelligence

*FOR THE PRESIDENT ONLY*

**THE PRESIDENT'S DAILY BRIEF**

30 June 1973

**PRINCIPAL DEVELOPMENTS**

The Nixon-Brezhnev meeting has stirred some concern in Western Europe over implications of closer US-Soviet relations and especially the agreement on prevention of nuclear war. (Page 1) Brezhnev's visit to Paris failed to allay French suspicions of superpower diplomacy. (Page 2)

Major European currencies remained strong against the dollar following the revaluation of the mark yesterday morning. (Page 3)

The quick collapse of yesterday's rebellion in Chile has strengthened Allende's hand. (Page 4)

25X1

On Page 5

Soviet-Egypt

25X1

25X1

The Viet Cong's PRG reportedly does not now intend to establish a capital in South Vietnam. (Page 6)

China

25X2

(Page 7)

Notes on Cambodia and Mexico appear on Page 8.

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

**WESTERN EUROPE**

*Reaction to the US-USSR summit has focused on the consequences for the Western alliance of the trend toward closer US-Soviet relations and of the provisions of the agreement on prevention of nuclear war. The summit seems likely to increase concern about the role Europe can play between the superpowers.*

Britain's reaction has been by far the most positive. Foreign Secretary Home "welcomed with satisfaction" the summit outcome and judged that the interests of the alliance had been fully protected, but cautioned that the CSCE would be the test of Soviet willingness to turn phrases into practice.

The French read the meeting as re-emphasizing superpower dominance in international affairs; they have officially stated that Paris is outside "bloc politics" and will not be bound by decisions of the US and USSR. One official said privately that the agreement on prevention of nuclear war has diminished the credibility of the US nuclear deterrent and shown that the US would prefer a protracted conventional engagement in Europe to an early use of nuclear weapons.

West German officials are worried that the nuclear agreement might be construed as a blanket "no first use" pledge that would limit the US response to a conventional Soviet attack on Western Europe.

25X1

Bonn's ambassador to NATO [redacted] to raise these concerns; West Germany is urging a prompt and unambiguous reaffirmation of the US commitment to a nuclear defense of Europe. In addition, the Germans are [redacted] as worried as the French about the trend toward increased US-Soviet bilateralism.

25X1

[redacted]

25X1

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

**FRANCE-USSR**

Despite public statements of satisfaction with the results of Brezhnev's stopover in Paris, the French are privately disturbed. Brezhnev evidently attempted to dispel French suspicions of a US-Soviet "Holy Alliance" potentially inimical to the interests of the lesser powers. According to an official French spokesman, Brezhnev assured Pompidou that "there was no discussion of third countries, nor of France," during his talks in Washington; the French apparently made no attempt to conceal their skepticism at this.

French satisfaction over the visit was apparently balanced by a realization of the degree to which it was overshadowed by the US-USSR summit.

25X1

The Pompidou-Brezhnev talks focused on security questions affected by SALT, MBFR, and US-Soviet bilateral arrangements. [redacted] Pompidou was even more forceful than during his January trip to the USSR about his intention to stay out of MBFR, and that Brezhnev did not press him. Paris also considers it premature to talk about concluding the European security conference at the summit, even if Pompidou were offered the chairmanship.

25X1

Despite these differences, Pompidou accepted an invitation to visit the Soviet Union again early next year, and progress was made on several large-scale economic deals.

*FOR THE PRESIDENT ONLY*

Exchange Rate Changes Relative to the Dollar Since  
the European Joint Float was Introduced on 19 March

(Figures in Percent)

	<u>7 May*</u>	<u>1 June</u>	<u>28 June</u>	<u>29 June</u>
Mark	-0.9	+5.6	+14.3	+16.2
Guilder	-2.1	+3.9	+10.3	+10.2
French franc	-0.4	+5.0	+9.9	+9.7
Sterling	+1.3	+4.6	+5.0	+5.0
Swiss franc	0	+5.8	+7.8	+11.3
Yen	-0.3	+0.1	+0.2	+0.2

\*Dollar at strongest levels in recent months

**FOR THE PRESIDENT ONLY**

## **INTERNATIONAL MONETARY DEVELOPMENTS**

The major European currencies remained strong against the dollar following the revaluation of the mark yesterday morning. The mark now has appreciated against the dollar by 17 percent since early May, when the dollar was showing some strength, and by about 50 percent since early 1971.

West German officials decided to revalue after the Bundesbank had to buy about \$900 million worth of European currencies Thursday, for a total of \$1.6 billion in the last two weeks or so. These inflows, which came mainly from Europe, were threatening Bonn's new anti-inflation program.

*The revaluation will keep the joint float intact for at least a while longer. It already has brought the mark from the top to the bottom of the European band and relieved pressures on the band created by the mark's rapid climb. The revaluation, however, represents another windfall for money managers and speculators who bet on a mark revaluation. It may encourage them to try their hand again, thereby keeping the international currency markets unsettled. The mark may even remain the traders' favorite; it is little more than three months since it was last revalued.*

*Tokyo may now face the prospect of European pressure to have the yen appreciate further. Otherwise, Japanese products are likely eventually to enter European markets in even greater quantities. The Bank of Japan has been able to manage the yen-dollar rate through its rigorous system of controls. Since March, the Bank reportedly has sold \$3 billion to keep the yen near its present rate.*

**FOR THE PRESIDENT ONLY**

**FOR THE PRESIDENT ONLY**

**CHILE**

*President Allende stands to profit from the ill-conceived military rebellion that collapsed within three hours yesterday. The events may provide just the boost he needs to overcome his current political crisis and resume building a socialist Chile at his own pace.*

*The Santiago-based Second Armored Battalion rebelled in the hope that the rest of the military and the police would join. Instead, the bulk of the army and the carabineros came to the government's defense. When loyal troops arrived at the presidential palace, the rebels surrendered.*

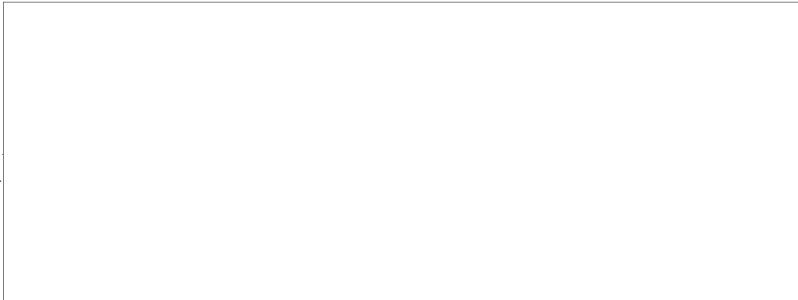
*Allende may now be able to purge known enemies from the armed forces and thus frustrate the more serious coup-plotting that has been under way. Army commander Prats and other armed forces leaders will emerge with an enhanced public image as defenders of constitutional order. On the other hand, the pre-emption of a possibly better organized military move may reduce their chances of obtaining major concessions for returning to the cabinet and allow Allende to bring them back in largely on his own terms.*

*Yesterday's events may also strengthen Allende's hand in dealing with his increasingly obstreperous Communist and Socialist supporters. He can now claim to have survived an attempted military coup without having to call on their street brigades.*

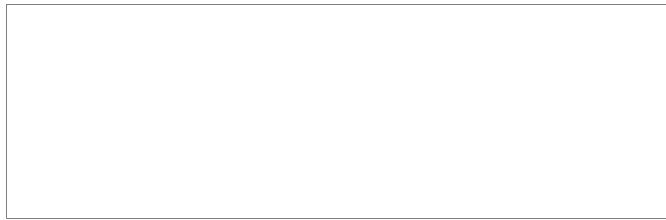
*The quick suppression of the revolt certainly will dishearten much of the civilian opposition. Those elements who have been trying to provoke military intervention by fostering violence, strikes, and other economic disruption will now have to re-examine their strategy.*

*FOR THE PRESIDENT ONLY*

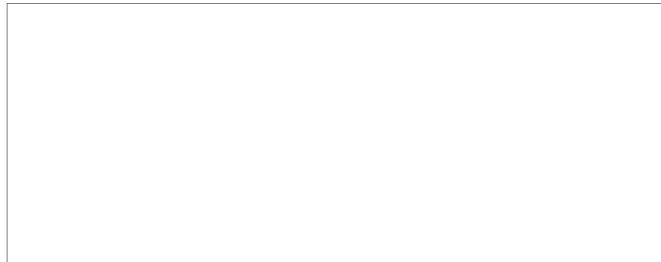
EGYPT-USSR



25X1



25X1



25X1

*FOR THE PRESIDENT ONLY*

**FOR THE PRESIDENT ONLY**

**VIETNAM**

The Viet Cong's Provisional Revolutionary Government does not intend to establish a capital in South Vietnam, according to Le Chan, North Vietnam's information chief in Paris. The PRG's goal, he says, is not to divide the South into two separate political "groups," but rather to have one "government of national concord" with a single capital.

25X1

25X1

Chan rejects the view that the PRG wants to avoid setting up a capital for fear the South Vietnamese or the US would bomb it. He says US air intervention is now unlikely and that the South Vietnamese will be discouraged by Communist anti-aircraft installations.

Recurrent reports that the PRG was on the verge of establishing a capital in the South reached a peak just before the fourth anniversary of the founding of the PRG on June 6. On that date, however, Liberation Radio announced only that several Communist and third-world countries had sent ambassadors to an undisclosed location in northern South Vietnam to present their credentials to the PRG.

If the Vietnamese Communists ever did intend to set up a PRG capital, there are several possible explanations for their failure to follow through:

--They may simply have decided that they occupied no site worthy of the designation.

--Hanoi may have passed the word that establishment of such a capital was not consistent with its contention that Vietnam is one country.

--The Communists may have backed off as a result of the Kissinger-Tho talks.

**FOR THE PRESIDENT ONLY**



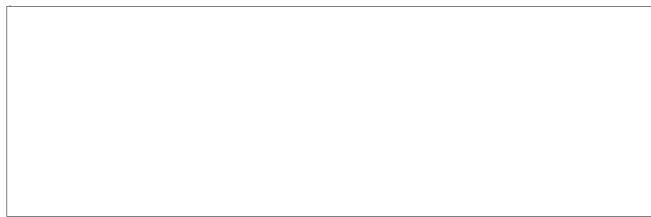
25X1

*FOR THE PRESIDENT ONLY*

CHINA



25X1



25X1



25X1



25X1



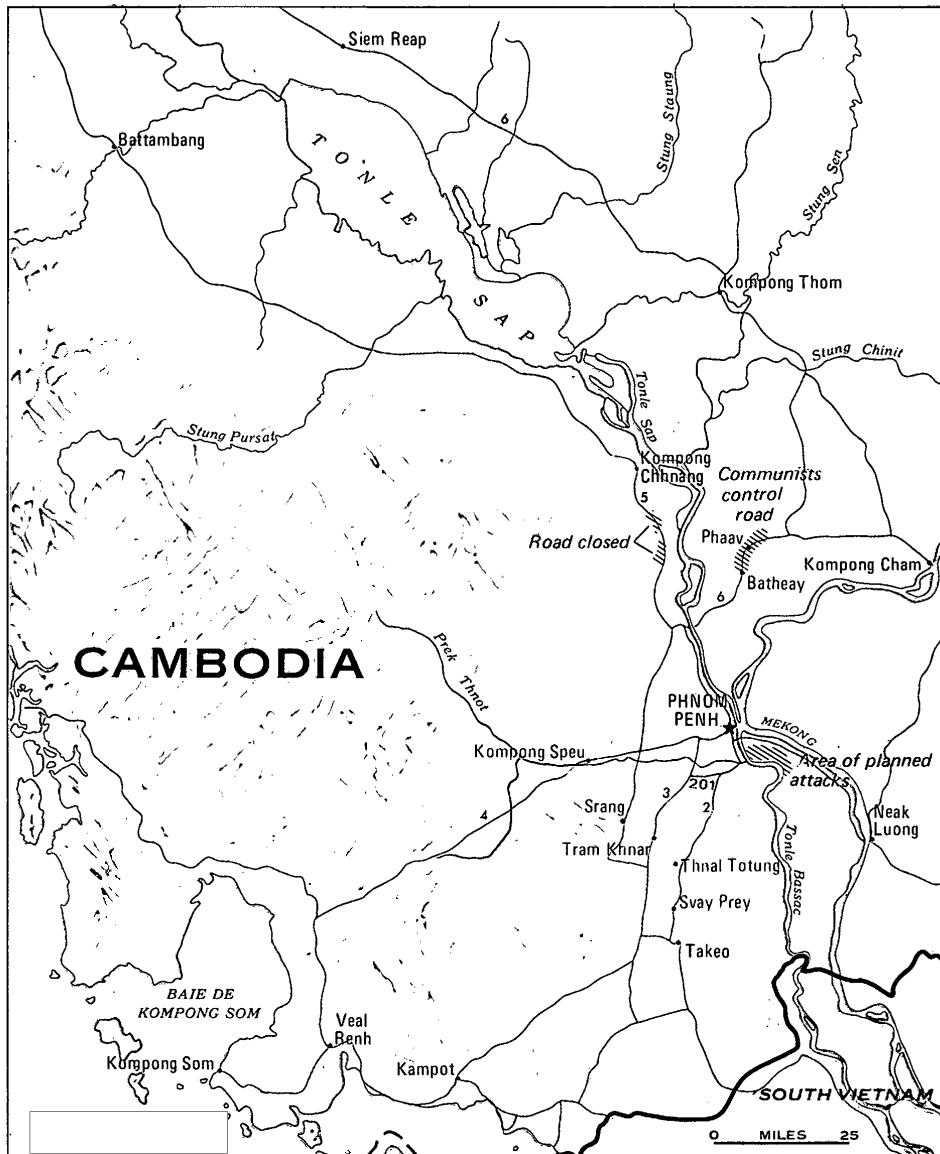
25X1

25X1

25X1

25X1

*FOR THE PRESIDENT ONLY*



25X1

554457 6-73 CIA

*FOR THE PRESIDENT ONLY*

**NOTES**

Cambodia: The Communists have gained control of a ten-mile stretch of Route 6. Communist forces have also returned to the offensive on Route 5, and Phnom Penh is again cut off from the rice stocks in the northwest. Government reinforcements yesterday began moving to reopen Route 5 and to blunt the insurgent drive on Route 6. South of Phnom Penh, government troops have made little progress in clearing Routes 3 and 201. Elements of two Khmer Communist regiments have been ordered to attack along the east bank of the Bassac River in this sector. These units, however, took substantial casualties in the fighting along the Mekong late last month and may not be up to a major effort. Meanwhile, another truck convoy arrived in Phnom Penh yesterday over Route 4, but Communist units are edging closer to the highway town of Kompong Speu, and this road could be closed at any time.

Mexico: Contrary to recent reports, Mexico is not applying for observer status in the Council for Mutual Economic Assistance. According to a Mexican Embassy official in Moscow, Mexico wants to expand trade relations with CEMA countries, but it is not seeking any formal ties with CEMA itself. He asserted that such a move would arouse strong domestic political opposition.

*FOR THE PRESIDENT ONLY*

*Top Secret*