

# *The President's Daily Brief*

*1 March 1973*

45



*Top Secret* 25X1

Exempt from general  
declassification schedule of E.O. 11652  
exemption category 5B(1)2  
declassified under authority of  
the Director of Central Intelligence

EYES ONLY FOR THE PRESIDENT

Declassified in Part - Sanitized Copy Approved for Release 2016/06/14 : CIA-RDP79T00936A011500010054-0

WASHINGTON, D.C. 20505

1 March 1973

[Redacted]

25X1

[Redacted]

: [Redacted]

25X1

[Redacted]

: [Redacted]

25X1

25X1

[Redacted]

[Redacted]

25X1

25X1

[Redacted]

25X1

[Redacted]

25X1

25X1

[Redacted]

25X1

[Redacted]

25X1

[Redacted]

25X1

25X1

[Redacted]

25X1

[Redacted]

25X1

25X1

EYES ONLY FOR THE PRESIDENT

Declassified in Part - Sanitized Copy Approved for Release 2016/06/14 : CIA-RDP79T00936A011500010054-0

EYES ONLY FOR THE PRESIDENT ~~TOP SECRET~~

Declassified in Part - Sanitized Copy Approved for Release 2016/06/14 : CIA-RDP79T00936A011500010054-0



25X1  
25X1

25X1

25X1

25X1

25X1

*FOR THE PRESIDENT ONLY*

THE PRESIDENT'S DAILY BRIEF

1 March 1973

PRINCIPAL DEVELOPMENTS

25X1

25X1

Vietnam

25X1

(Page 1)

25X1

Communist forces in Laos are still trying to clear irregulars from the northern Bolovens Plateau area. On the political front, the two joint commissions charged with implementing the political and military provisions of the peace agreement met for the first time yesterday. (Page 2)

25X1

Cambodia

25X1

(Page 3)

25X1

The dollar has remained weak in Europe so far this week and yesterday closed at or near its floor against the mark, the Belgian franc, and the guilder. (Page 5)

The Black September Organization reportedly plans an all-out effort to secure the release of terrorists arrested in Jordan early last month. (Page 6)

Student demonstrations in Greece have taken on political overtones following several tactical blunders by the government. (Page 7)

Libya

225X1

(Page 8)

25X1

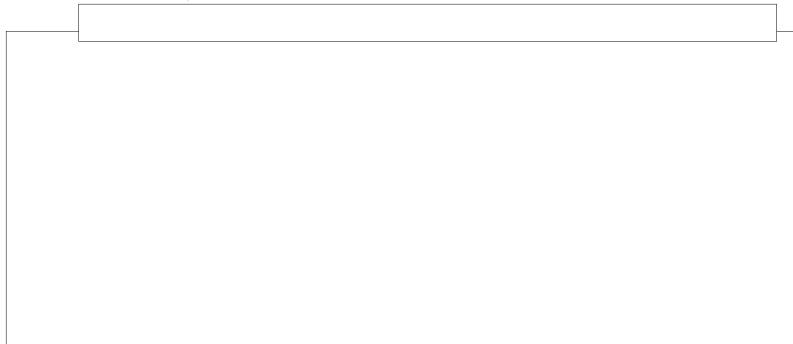
At Annex, we discuss the differing interpretations developed by Western observers concerning the recent removal of Dmitry Polyansky from his post as Soviet First Deputy Premier.

25X1

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

VIETNAM



25X1  
25X1



25X1



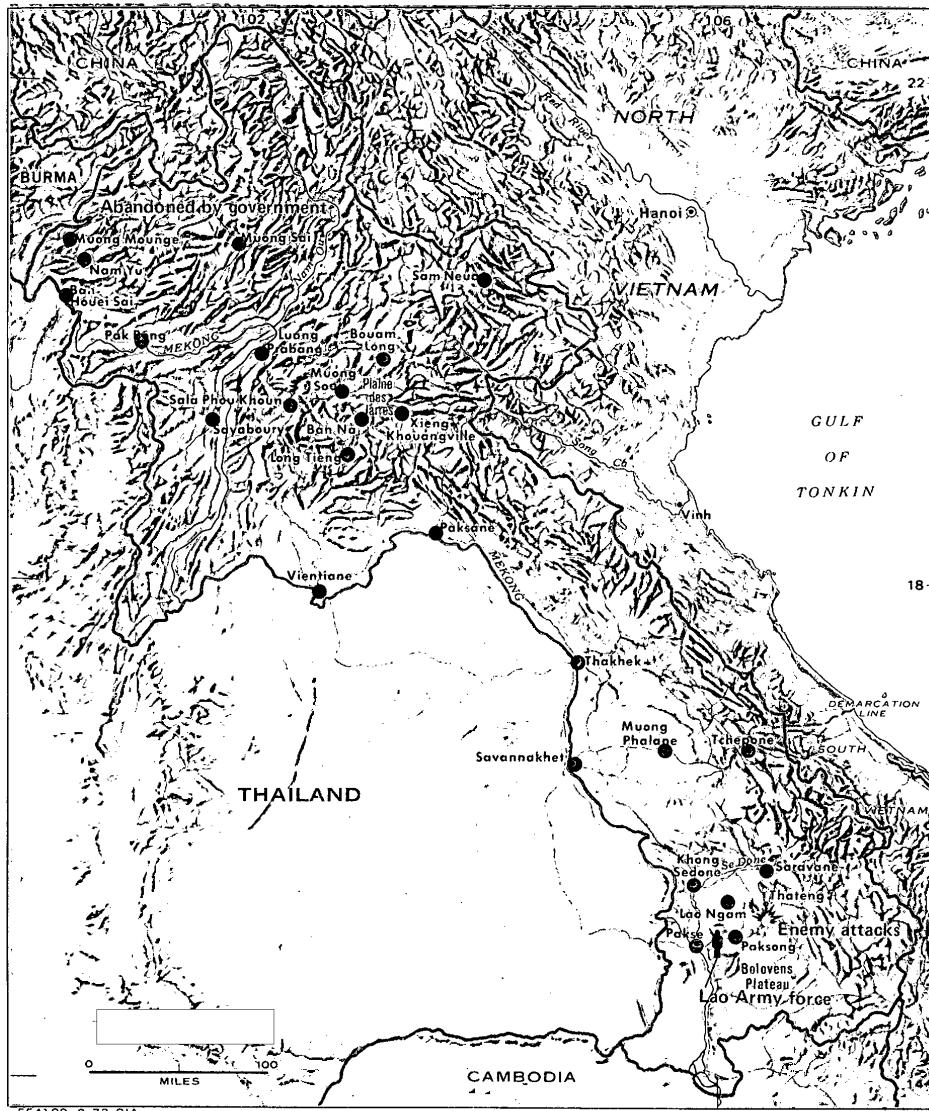
25X1  
25X1



25X1  
25X1  
25X1

25X1

*FOR THE PRESIDENT ONLY*



25X1

554189 2-73 CIA

● Government controlled      ● Communist controlled

*FOR THE PRESIDENT ONLY*

LAOS

Communist mortar fire on 27 February dispersed an irregular battalion along Route 23 several miles south of Thateng, and ground attacks on the same day drove other irregulars from positions near the road farther south. Reports indicate that fighting continued in this sector on 28 February. In the Paksong area, field commanders reported several shelling incidents on 27 February, as lead elements of an 800-man Lao Army force edged to within three miles of the town.

Elsewhere, military action continues to wane. In the remote northwest, however, Communist shellings forced a Lao Army battalion to abandon the much fought over village of Muong Mounge. The Communists also heavily attacked irregular positions just west of Bouam Long late yesterday.

On the political front, the two joint commissions charged with implementing the political and military provisions of the peace agreement met for the first time yesterday.

25X1

Representatives on the military commission settled several procedural matters and agreed that at future sessions they would take up troop withdrawals, the exchange of prisoners, and materiel replacement. Both commissions agreed to meet three times a week, with the next sessions scheduled for Friday.

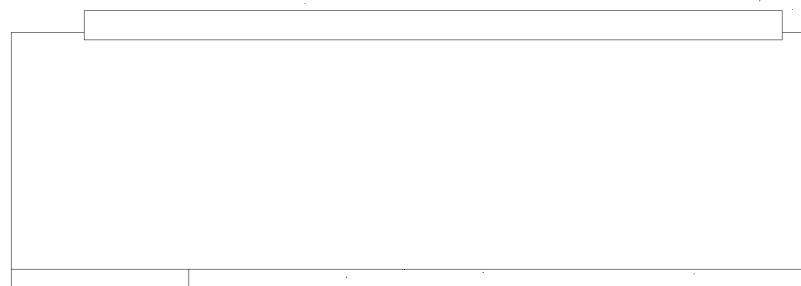
*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

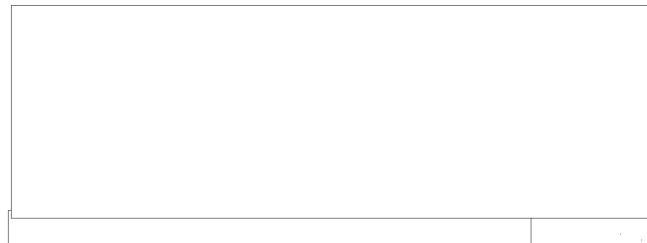
**CAMBODIA**



25X1  
25X1



25X1  
25X1



25X1  
25X1

25X1

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

USSR

Everyone agrees that Soviet agriculture is in trouble. Weather conditions last year were peculiarly unfavorable, but the problems are more basic and of longer standing than a single disappointing harvest.

Early last month, the Soviet media announced that Politburo member Dmitry Polyansky had been relieved of his duties as First Deputy Premier and appointed Minister of Agriculture. Western observers have developed two different interpretations of what this move means for Polyansky and for the Soviet leadership. These contrasting views--and our own comments--are presented at Annex.

*FOR THE PRESIDENT ONLY*

FOR THE PRESIDENT ONLY

## INTERNATIONAL MONETARY DEVELOPMENTS

The dollar has remained weak in Europe so far this week. Yesterday the dollar closed at or near its floor against the mark, the Belgian franc, and the guilder. The floating Swiss franc rose to about 23 percent above its old rate, and 7 percent since last Wednesday.

*The floating franc has clearly become a haven for speculators betting on a substantial repegging of the franc. The franc's precipitous rise has occurred despite heavy dollar purchases by the Swiss central bank last week. Bern announced on Monday that it had purchased over \$700 million on 21 and 22 February, far above previous market estimates.*

In Japan, on the other hand, the floating yen's revaluation against its old dollar rate decreased from 16.7 percent to 14.5 percent in the past two days--mainly because of commercial banks' purchases to bring their holdings in line with end-of-the-month minimum requirements of the central bank.

*We nevertheless expect the yen soon to appreciate at least to last week's level because of the large current account surplus expected in March.*

The London gold price closed yesterday at about \$85, down sharply from last week's \$95, although still up 24 percent from its rate before the devaluation of the dollar.

FOR THE PRESIDENT ONLY

*FOR THE PRESIDENT ONLY*

**FEDAYEEN - ARAB STATES**

The Black September Organization [redacted]

25X1

[redacted]

25X1

BSO plans to kidnap key officials in Jordan or, failing that, Jordanian diplomats abroad. Fatah leader Yasir Arafat is [redacted] especially anxious to secure the release of Muhammad Awadh, the planner of the Munich operation.

25X1

The Jordanians delayed the execution of Awadh, originally scheduled for 21 February, [redacted] but say they still plan to hang him. They have rejected pleas on behalf of the captives from Sadat and Arab League Secretary-General [redacted]

25X1

[redacted]

25X1

[redacted]

25X1

6

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

**GREECE**

Student demonstrations have taken on political overtones following several tactical blunders by the government. The rescinding of draft deferments for students boycotting classes only sharpened the confrontation with the police, and a number of protesting students were injured. The situation has been temporarily saved by a mutual agreement to a ten-day cooling-off period, after which the government plans to take up negotiations with the students. For their part, the students regard the cooling-off period as merely an armistice and there is no sign they intend to drop their demands, which much of the Greek populace considers legitimate.

The government is now faced with the fallout. Former politicians have been quick to cite the disorders as one more instance of the government's failure to come to grips with domestic problems. Some key army officers apparently are also concerned over the government's blunders.

*Although the situation is now an uneasy standoff, the government's ineptitude has increased its vulnerability. Prime Minister Papadopoulos will have to act carefully to avoid increased disaffection with his rule, especially within the military.*

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

NOTES

Libya:

25X1

25X1

25X1

USSR: The Soviets have reduced their goal for natural gas production in 1973 for the second time. The new goal of 236 billion cubic meters represents only a 6.7 percent increase over last year, well below the average annual rate of 10 percent originally set for 1971-75. This means that the USSR will have difficulty in increasing gas exports, and it has already refused to increase deliveries to Austria. Overcoming the production lag will require accelerated development of remote fields in West Siberia and Central Asia, as well as the exploitation of deeper deposits in old producing regions. Soviet equipment is not well suited for these purposes, however, and the USSR is showing increased interest in Western technology.

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

**SOVIET AGRICULTURAL POLITICS**

A  
N  
N  
E  
X

On 3 February, Politburo member Dmitry Polyansky was relieved of his duties as First Deputy Premier and appointed Minister of Agriculture. His membership on the party Politburo was not affected by this move. Western observers have developed two different interpretations of what this move means for Polyansky and for the Soviet leadership.

In one view, Polyansky has been sent as high-level trouble-shooter to the economy's most vulnerable sector:

--agriculture is such a vital area that it is difficult to suppose that the key job of Minister of Agriculture would go to someone in decline.

--if Polyansky were in disgrace over shortcomings in agriculture, it would be logical to relieve him of responsibility for it altogether.

--his retention of Politburo membership leaves his formal position in the far more important party hierarchy intact. With this extra authority, he will be able to impose measures and programs whose implementation has been delayed by bureaucratic inertia.

--there has been no indication of any disagreement between Polyansky and Brezhnev, whose political alliance goes back at least ten years.

--in the longer term, the Ministry of Agriculture may emerge as a kind of super ministry.

In the other view, which we hold, Polyansky has been demoted.

--if Polyansky's new assignment had been designed as that of a high-level trouble-shooter, he could have retained his first deputy premiership and still have assumed operational control of the Ministry of Agriculture. Although such an arrangement would have been unusual, it would not have been unprecedented, and would have avoided the appearance of demotion that the apparatchiks would recognize.

--instead, Polyansky has gone from being one of two first deputy premiers to being one of 70 ministers.

--as First Deputy Premier responsible for the agricultural sector, he supervised not only the Ministry of Agriculture itself, but also the

*FOR THE PRESIDENT ONLY*

complex of other ministries that contribute to agricultural production, seven or eight of which have a direct impact on its effectiveness.

--as Minister of Agriculture, he will now be dealing with peer ministers in these seven or eight agencies, although he will clearly speak with great authority because of his continued membership on the Politburo. There are already signs that proponents of organizational policies that threaten Polyansky's current bureaucratic interests are becoming more active.

--Polyansky is serving as a scapegoat to deflect criticism from Brezhnev, who has also been closely identified with agriculture.

--Brezhnev's alliance with Polyansky considerably predates the General Secretary's change in 1970 to his "new course" of detente with the West and consumer interests at home. This had already contributed to a breach between Brezhnev and his former ally Shelest, and Polyansky may have harbored some views similar to Shelest.

Since we see this as a demotion, we also see the following implications:

--the action raises questions about Polyansky's future prospects. Precedents for Politburo membership combined with ministerial status are rare in Soviet history.

--Polyansky now joins Shelepin, Voronov, and Shelest in the category of those whose positions in the government hierarchy do not entitle them to Politburo status and whose continued membership on that body is anomalous.

--as the only remaining First Deputy Premier, Mazurov's prospects to succeed Kosygin are considerably enhanced, at least in the short term. Until now, Polyansky was an equally strong contender for this succession.

--also in the short term, the authority of Kulakov, who is both a Politburo member and party secretary responsible for agriculture, is enhanced.

There customarily are two first deputy premiers; a replacement for Polyansky should be appointed fairly soon. The announcement should provide further clues as to future Soviet agricultural policy and to the balance in the Soviet leadership.

*Top Secret*



## *The President's Daily Brief*

*2 March 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

EYES ONLY FOR THE PRESIDENT

**Page Denied**

**FOR THE PRESIDENT ONLY**

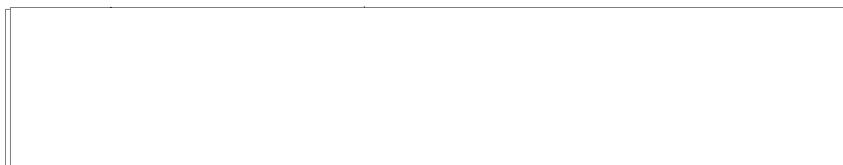
**THE PRESIDENT'S DAILY BRIEF**

2 March 1973

**PRINCIPAL DEVELOPMENTS**

On *Page 1* we report the status of the BSO capture of US and other diplomats in Khartoum.

Major money markets are closed today following yesterday's unprecedented selling of the dollar in Europe. (*Page 2*)



225X1

In Vietnam, an intercept shows that the Communists are worried that they cannot conceal a concentration of men and materiel near an ICCS team site in western Quang Tri Province. (*Page 4*)

Peking has stepped up its propaganda favoring the reunification of Taiwan with the mainland. (*Page 5*)



25X1



25X1



225X1

**FOR THE PRESIDENT ONLY**

*FOR THE PRESIDENT ONLY*

**FEDAYEEN-SUDAN**

This morning the Black September Organization continues to hold US Ambassador Noel, DCM Moore, and three other diplomats in Khartoum as hostages for guerrillas imprisoned in Jordan. The terrorists seized the Saudi Arabian Embassy yesterday at the end of a reception in honor of the departing Moore. Noel, Moore, and the Belgian chargé were slightly injured but have received medical treatment. The Saudi ambassador and the Jordanian chargé are also in custody.

After initially making more extensive demands, the BSO team is now focusing on the release of senior BSO official Muhammad Awadh and 16 others held in Jordan. The Jordanians captured them last month as they prepared to kidnap the Jordanian prime minister. Amman has refused to free the Awadh group, and announced that it will accept no bargaining with the terrorists. King Husayn is scheduled to fly back to his capital today from Morocco.

The Sudanese Government has ruled out the use of force and has been stringing out talks with the terrorists. They have extended their deadline for satisfaction of their demands several times.

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

## INTERNATIONAL MONETARY DEVELOPMENTS

Major money markets are closed today following sustained and unprecedent selling of the dollar throughout Europe yesterday. Total European central bank purchases in support of the dollar yesterday amounted to almost \$4 billion. West German intervention alone reached almost \$2.8 billion, a one-day record. Dutch purchases of \$604 million were almost twice that country's total interventions before last month's dollar devaluation.

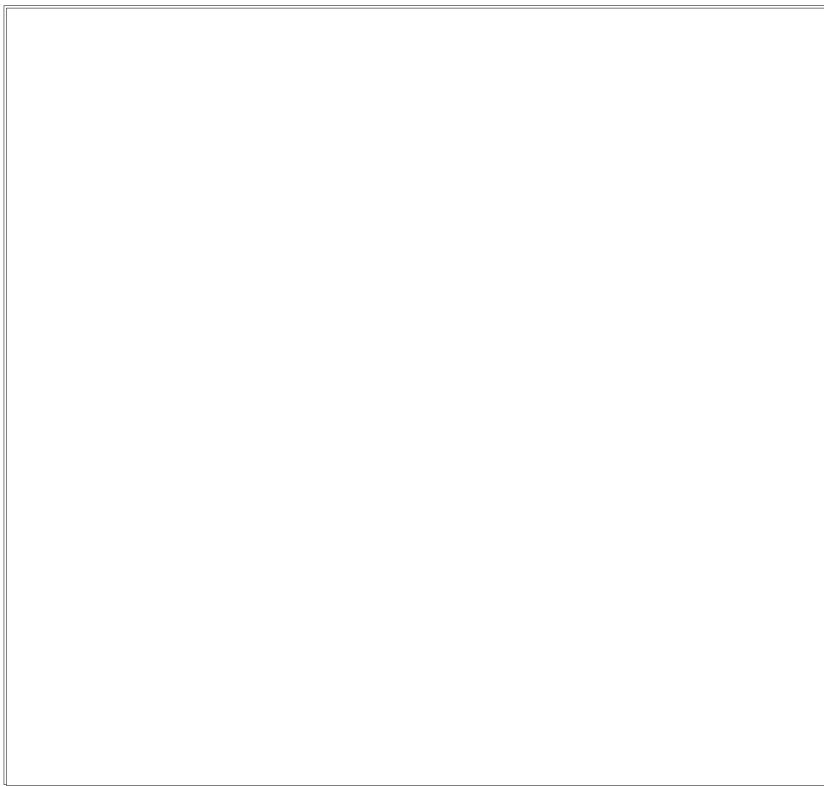
*The closing of the major exchange market amounts to a tacit admission that fixed currency rates cannot be maintained. A decision to introduce a joint EC float is the most likely outcome of the present situation. This decision would require answers to such problems as the system of intervention to be used, the capital controls to be allowed, and the position of the now-floating pound and lira relative to the other countries' currencies.*

In Japan, the Finance Ministry has stated that it intends to await developments in Europe before deciding when to open its exchange market. The yen closed yesterday with a revaluation of 15.6 percent compared with its old dollar rate--up from 14.5 percent the previous day.

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

USSR



25x25X1

*FOR THE PRESIDENT ONLY*



554195 3-73

*FOR THE PRESIDENT ONLY*

**VIETNAM**

The Communists are worried that they cannot conceal a large concentration of men and materiel in western Quang Tri Province near an ICCS team site. According to an intercepted message of 26 February, North Vietnamese units were "crowded together elbow-to-elbow" along a 12-mile stretch of Route 9 between Lao Bao and Khe Sanh awaiting "orders" to move on to Cam Lo and Dong Ha. There were also artillery, "missile," and antiaircraft emplacements on high ground on both sides of the road. The message warned that the Communists could no longer use the border town of Lao Bao for assembly and storage of equipment because the ICCS team had already arrived there.

\* \* \*

Substantive political talks between the Thieu government and the Viet Cong will be delayed until at least 12 March, according to a sensitive South Vietnamese intercept. The two sides had earlier agreed to open the negotiations this week. The intercept indicates that the Viet Cong are threatening to put off the talks even longer--until 18 March--unless the Thieu government designates the official head of its delegation immediately. The Viet Cong have also informed Saigon that the head of their delegation will not be Madame Binh, "but a man."

*FOR THE PRESIDENT ONLY*

FOR THE PRESIDENT ONLY

CHINA - NATIONALIST CHINA

In the wake of last week's Sino-US communiqué, Peking has stepped up its propaganda campaign stressing reunification of Taiwan with the mainland. For the first time since 1965, mainland media have given wide publicity, including extended broadcasts beamed to Taiwan, to the anniversary of an uprising of native Taiwanese against Nationalist officials shortly after World War II.

The speeches quoted are generally conciliatory in tone. While they stress Peking's determination to "liberate" Taiwan, they make no reference to the use of force. The speakers call for "unity of action" on the part of the mainlanders and local Taiwanese, but the main appeal for reunification is clearly addressed to officials of the Nationalist government itself. A former Nationalist general calls specifically for direct negotiations, adding that secret or open informal contacts might be a first step.

*Since last autumn Peking has been engaged in a largely private two-pronged effort on the Taiwan issue. Chou En-lai and other Chinese leaders have told visiting foreigners that Peking does not contemplate the use of force to regain the island, that the reunification process might take several decades, and that present foreign investments on the island would initially not be disturbed. At the same time, Peking has used the themes of reconciliation and leniency to encourage Taiwanese living abroad to visit the People's Republic.*

*While the Communists obviously judge the time is ripe to move this campaign into higher gear, they have neither privately nor publicly spelled out their terms for reunification.*

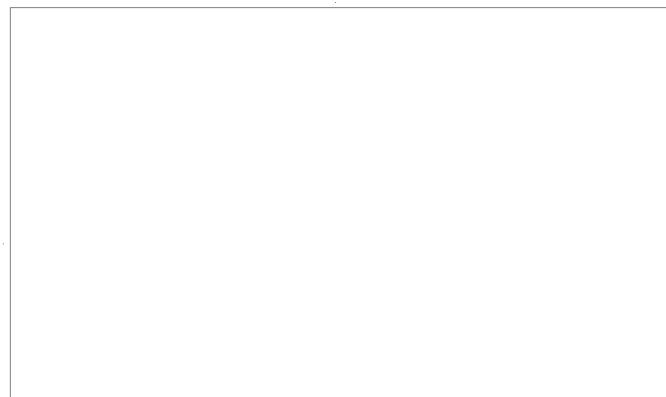
FOR THE PRESIDENT ONLY

*FOR THE PRESIDENT ONLY*

JAPAN



25X1



25X1

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

**NOTES**

25X1

Ireland:

25X1

--

China-US:

25X1

25X1

--

Over the last few months, Peking purchased about 90,000 tons of US cotton worth about \$75 million. China's cotton crop last year was not good, and there are reports of cuts in this year's cotton ration in at least one province.

25X1

Pakistan: Islamabad reportedly plans to continue its current high levels of wheat imports despite projections that a record domestic crop will be harvested this spring. The government hopes to import about 1.2 million tons during the next fiscal year, compared with 1.5 million tons this year, predominantly under US PL-480. Pakistani officials are worried, however, that the US may not fulfill their total needs. If they purchase the entire 1.2 million tons commercially, the cost will be about \$130 million, equivalent to 20 percent of Pakistan's annual export earnings.

Chile: Santiago has canceled ITT's managerial rights in the Chilean Telephone Company under a law that went into effect on Tuesday. Under a pending constitutional amendment, the government is seeking to nationalize all telephone company assets in a manner similar to the take-over of US copper companies in July 1971, in order to pay little or no compensation for the expropriated property. ITT values its telephone property investment at more than \$150 million, of which some \$108 million is insured by OPIC.

(continued)

*FOR THE PRESIDENT ONLY*

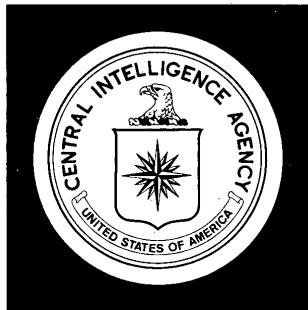
25X1

Morocco:

25X1

*FOR THE PRESIDENT ONLY*

*Top Secret*



## *The President's Daily Brief*

*3 March 1973*

**45**



~~Top Secret~~<sup>25X1</sup>

Exempt from general  
declassification schedule of E.O. 11652  
exemption category 5B(1)(2)(A)  
decided under authority of  
the Director of Central Intelligence

*FOR THE PRESIDENT ONLY*

**THE PRESIDENT'S DAILY BRIEF**

3 March 1973

**PRINCIPAL DEVELOPMENTS**

The Black September Organization apparently plans further terrorist action in the Middle East following the execution of the three diplomats in Khartoum yesterday. (Page 1)

The dollar continued to weaken yesterday, chiefly in unofficial trading since most major foreign exchanges were closed. (Page 2)

West Europeans are showing a growing inclination to look to the USSR for uranium enrichment services. (Page 3)

A Soviet naval exercise in the Mediterranean may be imminent. (Page 4)

Argentine military leaders have reaffirmed their commitment to the 11 March election but have expressed concern over the support some political groups are giving to terrorists. (Page 4)

*FOR THE PRESIDENT ONLY*

**FOR THE PRESIDENT ONLY**

**FEDAYEEN - ARAB STATES**

The Black September Organization is planning another terrorist action "within 48 hours" of its operation in Khartoum, according to information given the US Embassy in Beirut yesterday. Among the operations being considered is the abduction of the US ambassador to Iran. Another target is the Jordanian prime minister. Jordanian police have been alerted to two groups of fedayeen who have moved to positions in southwestern Syria near the Jordanian border.

In Khartoum the terrorists, having executed the three diplomats, were reported demanding safe conduct for themselves and their remaining hostages--the Saudi ambassador and the Jordanian chargé--to another country. A BSO spokesman, presumably relaying a message from Khartoum, reiterated today that the fate of the two hostages depends on the satisfaction of the Palestinians' demands.

*The guerrillas continue to demand the release of senior BSO official Muhammad Awadh--the planner of the Munich operation--and 16 others held in Jordan.*

**FOR THE PRESIDENT ONLY**

**FOR THE PRESIDENT ONLY**

## **INTERNATIONAL MONETARY DEVELOPMENTS**

The dollar continued to weaken yesterday, chiefly in unofficial trading since most major foreign exchanges were closed. Most European currencies appreciated about two percent against the dollar. On the French exchange--the only major official market open yesterday--the central bank withdrew from trading after it had made extensive dollar purchases.

*The dollar's fall below the market floor, despite the bank's support with reported purchases of over \$500 million, indicates that capital controls have limited effectiveness when stronger currencies, such as the mark, are not bearing the brunt of speculative activity.*

Japan's foreign exchange market remains closed today. When trading resumes--after the situation in Western Europe settles down--the yen float will continue. In interbank trading yesterday, the yen appreciated substantially.

The EC finance ministers will meet on Sunday in an effort to develop a common position.

*In the event that the ministers decide on a float, the modalities probably will be kept secret, and the float itself is likely to be a "dirty" one. Existing capital controls and two-tier systems probably will also be retained.*

**FOR THE PRESIDENT ONLY**

FOR THE PRESIDENT ONLY

USSR - WESTERN EUROPE

A West German power company is sending a delegation to Moscow this month to explore prospects for getting the USSR to enrich enough uranium to provide the initial loading of a new 1,200-megawatt nuclear reactor.

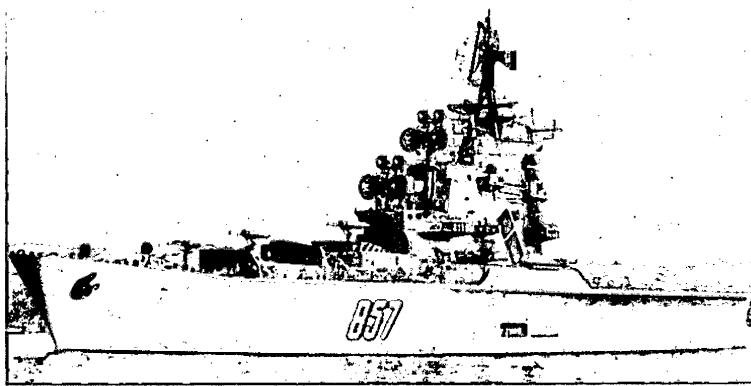
*The US is currently the source of all West Germany's enriched fuel.*

*Moscow already has concluded an agreement with France to provide uranium enrichment services and has discussed doing so with several other countries, including Sweden and Japan. Moscow's willingness to deal with a West German company suggests that it expects an IAEA-EURATOM safeguards agreement to be completed soon. The impasse over that issue has delayed West German ratification of the Non-Proliferation Treaty, to Moscow's dismay.*

*West Europeans are irritated over the recent increase in US charges for enrichment services and changes in contract procedures, and this is a factor in their growing inclination to deal with the Soviets. Looking to Moscow may be only a temporary or partial expedient, since they presumably are reluctant to become dependent on the USSR. These problems may spur increased interest in the development of an EC enrichment facility.*

FOR THE PRESIDENT ONLY

**Soviet Helicopter Carrier, Moskva**



Length .....	620 feet
Beam .....	112 feet
Draft .....	27 feet
Displacement ..	20,000 tons
Armament ..	2 twin SA-N-3 launchers 2 twin 57-mm mounts 1 twin SUW-N-1 ASW rocket launcher 2 12-barrel MBU 2500A rocket launchers
Helicopters ..	18-20 KA-20/25

25X1  
25X1 25X1

**FOR THE PRESIDENT ONLY**

**NOTES**

USSR: The helicopter carrier Moskva, accompanied by a guided-missile destroyer, transited the Bosphorus and entered the Mediterranean on 2 March. The Moskva was last in the Mediterranean in April 1970. A total of six Soviet combatants have made the same passage in the last three days, suggesting that a naval exercise is imminent. The Soviets now have a total of 13 major surface combatants with their Mediterranean squadron.

Argentina: The armed forces leaders have issued a communiqué reaffirming their commitment to the 11 March election but expressing concern over the support some political groups are giving to terrorists. Although for the time being the military has decided against proscription of the Peronists, the tone of the communiqué suggests that serious terrorist activity could still result in a move to block them.

Iraq: Baghdad has agreed to give the Iraq Petroleum Company oil worth about \$300 million as compensation for all claims against the government, including nationalization of IPC properties in 1961 and last June. This sum equals about two years' earnings from the fields nationalized in June. In turn, the company will pay Iraq about \$350 million in back taxes, and will "endeavor" to more than double production from its fields in southern Iraq. Both oil production and government revenue probably will increase substantially as a result of the agreement.

Korea: Pyongyang has postponed the next round of North-South talks that were scheduled to begin on 6 March. North Korea cited "unavoidable internal reasons" as the cause of the delay, which may reflect a desire to review its negotiating strategy following Foreign Minister Ho Tam's consultations with Chou En-lai in Peking last month. The Chinese may have given Ho some further advice on dealing with the South, especially on the US troop presence and the Korean issue at the UN.

(continued)

**FOR THE PRESIDENT ONLY**

*FOR THE PRESIDENT ONLY*

The Yemens: The two countries have interrupted their unity talks, and neither seems serious about a negotiated merger. Sana is fearful that unity would mean domination by Aden's Marxist regime but is reluctant to torpedo the negotiations. Aden seems to be using the talks only to gain time, while building its military strength. Both Yemens accepted the concept of merger under pressure from other governments, but this was as much from a desire to stop fighting as an expectation that unity could be achieved. Aden, which clearly wants to control Sana, is quite prepared to work toward its goal through paramilitary activity and agitation.

*FOR THE PRESIDENT ONLY*

*Top Secret*



# *The President's Daily Brief*

*5 March 1973*

45



~~Top Secret~~

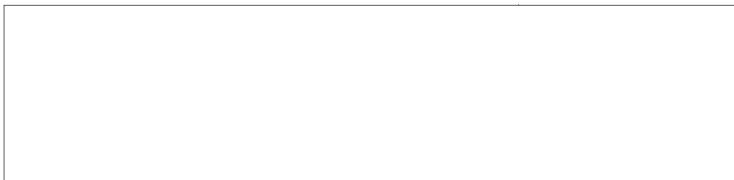
25X1

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

CENTRAL INTELLIGENCE AGENCY

WASHINGTON, D.C. 20505

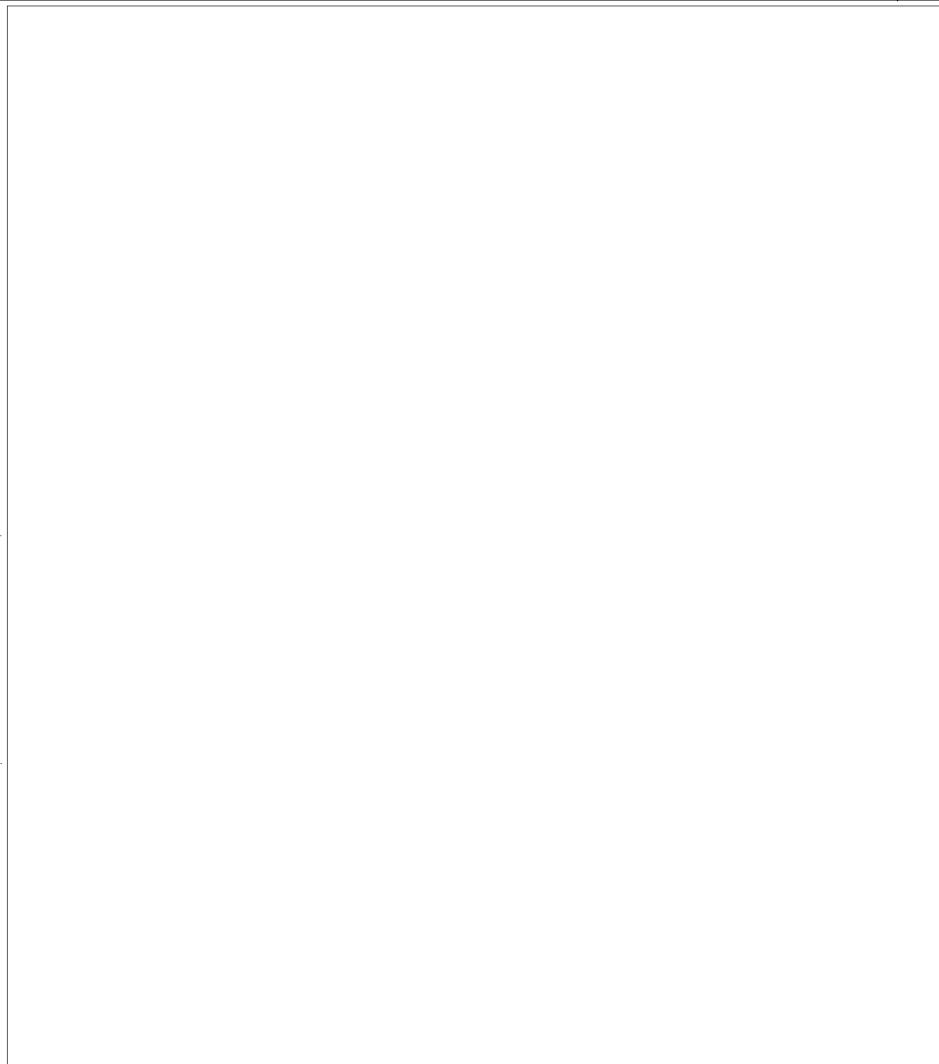
5 March 1973



25X1



25X1



25X1

EYES ONLY FOR THE PRESIDENT

25X1



*FOR THE PRESIDENT ONLY*

THE PRESIDENT'S DAILY BRIEF

5 March 1973

PRINCIPAL DEVELOPMENTS

Arab reactions to the tragedy in Khartoum range from attempts to justify the terrorist actions to Jordan's forthright condemnation. (Page 1)

Military action in Vietnam has picked up somewhat amid further indications that the Communists are strengthening some of their military units. (Page 2)

The EC finance ministers have put off any decision on the monetary crisis until next weekend. (Page 3)

Almost complete results of first round voting in the French legislative elections Sunday show President Pompidou's coalition trailing the leftist alliance in the popular vote, but well ahead in the number of seats won. (Page 4)

President Allende is claiming that the gains scored by government parties in the Chilean congressional elections yesterday signify growing public approval of his socialization program. (Page 5)

The Soviets probably have completed preparations for a countrywide military exercise that will include the major components of their armed forces. (Page 6)

In Laos, the joint political commission reportedly has reached preliminary agreement on the functions of the Joint National Political Council. (Page 7)

Brezhnev has accepted Chancellor Brandt's long-standing invitation to visit West Germany. (Page 8)

*FOR THE PRESIDENT ONLY*

**FOR THE PRESIDENT ONLY**

**FEDAYEEN - ARAB STATES**

Arab reactions to the tragedy in Khartoum range from attempts to justify the terrorists' actions to Jordan's forthright condemnation. The Sudanese appear undecided on how to deal with the Black September terrorists. A government statement yesterday said merely that Sudan would weigh its "international obligations" before deciding what to do. It reaffirmed support for the Palestinian cause notwithstanding the incident, reflecting Khartoum's awareness of the widespread sympathy in the Arab world for fedayeen terrorism. Although President Numayri said [redacted] he was determined to deal firmly with the terrorists, Deputy Undersecretary Macomber cautions that these assurances are given under the immediate impact of events and that this resolve may well weaken with the passage of time.

25X1

Many Arab leaders, while privately expressing condolences, refuse to denounce the terrorist action publicly. Lebanon's Prime Minister Salam called upon the international community to find a solution to the Middle East problem that "prompts" certain Palestinians to resort to terrorism.

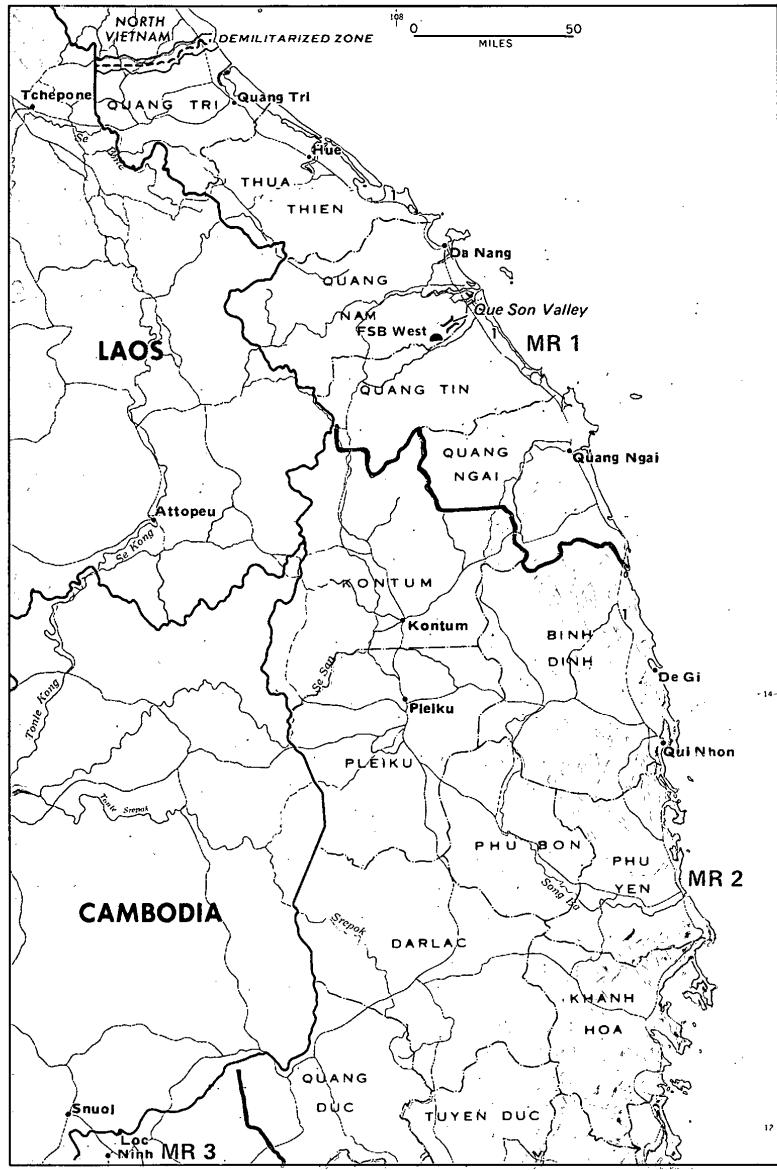
The Saudi reaction has been strongly critical. The Saudi foreign minister said his government would not intercede on behalf of the "killers for whom the lightest possible punishment was death."

*The Saudis view the occupation of their Khartoum Embassy and detention of their ambassador as a grievous affront. We expect them to take a hard look at their financial support for the fedayeen as well as the status of some 10,000 Palestinians employed in Saudi Arabia.*

Jordan is the only Arab government thus far to have denounced the terrorists categorically. There are further indications, meanwhile, that the Black September Organization is undertaking new operations aimed at seizing Jordanian officials and diplomats to serve as hostages for guerrillas held in Jordan. The announcement yesterday in Jordan of King Husayn's approval of death sentences against senior BSO official Muhammad Awadh and "several" other fedayeen will arouse the Black September still more.

**FOR THE PRESIDENT ONLY**

**SOUTH VIETNAM**



554200 3-72

**FOR THE PRESIDENT ONLY**

**SOUTH VIETNAM**

Military action has picked up somewhat. North and South Vietnamese units in northern Quang Tri Province exchanged heavy artillery fire during the weekend. [redacted] the Communists have sent additional personnel and weapons, including more tanks, into Thua Thien Province.

25X1

25X1

Farther south in MR-1, the Communists are maintaining pressure around FSB West in the Que Son Valley and have resumed harassing attacks along Route 1 in southern Quang Ngai. Increased road harassment was reported in scattered provinces of MR-2, and sharp fighting continued near the government's coastal radar facility at De Gi in Binh Dinh Province.

There are indications that the Communists have strengthened their artillery units north of Saigon. Three Communist ralliers claimed on 27 February that they had recently seen twelve 130-mm. field guns being towed from Snuol, Cambodia to Loc Ninh District in northwestern Binh Long Province, according to the South Vietnamese National Police.

*This is the first reported sighting of 130-mm. artillery in the southern half of the country, although intercepts had indicated that an artillery group would arrive in late February.*

**FOR THE PRESIDENT ONLY**

*FOR THE PRESIDENT ONLY*

## INTERNATIONAL MONETARY DEVELOPMENTS

The EC finance ministers have put off any decision on the monetary crisis until next weekend. The ministers feel that the crisis is not of their making and that existing exchange rate relationships are sound. At French urging, the EC plans to invite the US and Japan to a conference in Paris on Friday. Although the finance ministers have agreed that proposals for a joint float, pooling of reserves, and EC-wide capital controls form "an adequate basis for defining a common position," wide differences remain. British Chancellor of the Exchequer Barber, for example, demanded stringent preconditions before taking part in a joint float, i.e., before repegging sterling. London also wants permission to readjust its exchange rate if the repegging proves unrealistic.

French Finance Minister Giscard D'Estaing last night publicly came out against any float.

25X1

25X1

25X1

Paris fears a loss of its trade competitiveness if, as seems likely, a joint float portends a revaluation of its franc. In any event, postponement of the problem gives Paris and London time to deal with their respective election and budget problems. Bonn remains the chief proponent of the joint float, and Finance Minister Schmidt has stated that the mark would be floated separately if agreement on a joint float is not possible. Tokyo has sent a representative to the US to discuss the situation. Meanwhile, major foreign exchange markets will remain closed, and European leaders will have an opportunity to see how free market forces operate on exchange rates in interbank trading. In early interbank trading today in London, sterling weakened sharply, probably in anticipation of a lower dollar rate if and when a joint float is realized. The dollar was generally firm against European currencies.

*FOR THE PRESIDENT ONLY*

**FOR THE PRESIDENT ONLY**

**FRANCE**

Almost complete results of first round voting in the legislative elections Sunday show President Pompidou's coalition trailing the Socialist-Communist alliance by 2.4 percent in the popular vote, but well ahead in the number of seats won (48 for the coalition to the left's nine).

*The sharp discrepancy between the popular vote and the number of seats won is primarily the result of gerrymandering favorable to non-urban areas where the government parties are strongest. This, along with a strong lingering fear of the Communists, may give the government the edge in the decisive runoff voting next Sunday.*

**FOR THE PRESIDENT ONLY**

*FOR THE PRESIDENT ONLY*

**CHILE**

Although they won a majority of the votes, President Allende's opponents will have trouble refuting his claim of victory in congressional elections held yesterday. Final results are not confirmed, but candidates of the Popular Unity coalition apparently won more than the 40 percent that Allende had said would constitute an "absolute victory." Last night Allende compared this outcome with the 36.3 percent he won in 1970 and contended that his gains signified growing public approval of his socialization program. The opposition parties retained a majority in both congressional houses, but the fact that the margin of seats in excess of Popular Unity legislators decreased, will also be hailed as a show of strength for Allende.

*FOR THE PRESIDENT ONLY*

**FOR THE PRESIDENT ONLY**

USSR

The Soviets probably have completed preparations for a countrywide military exercise that will include the major components of their armed forces. Preparations and rehearsals may have been under way for the last month.

25X1  
25X1

[redacted] These preparations have involved military units throughout the USSR, but much of the activity of the ground forces and long-range aviation has been in the Sino-Soviet border area.

25X1

Past exercises of this type have involved launches of strategic missiles, simulated strikes by long-range bombers, naval deployments, and extensive field training by the ground forces. The last was held about a year ago.

**FOR THE PRESIDENT ONLY**

**FOR THE PRESIDENT ONLY**

**NOTES**

Laos: As the military action continues to wane, the joint political commission has reached preliminary agreement on the functions of the Joint National Political Council [redacted]

25X1

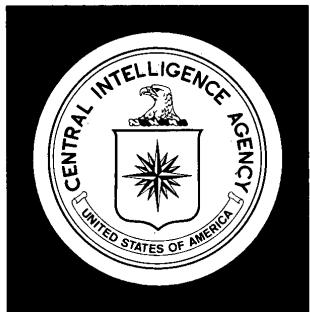
[redacted] Its primary role will be to prepare for new National Assembly elections. The Communist delegates indicated, however, that all arrangements worked out so far are subject to final review by their chief negotiator, Phoumi Vongvichit, when he returns from consultations in Hanoi and Sam Neua.

25X1

USSR - West Germany: Brezhnev has accepted Chancellor Brandt's long-standing invitation to visit West Germany. No specific date has been set for the visit--the first by a top-ranking Soviet official--but it is expected to occur before summer. Despite occasional frictions, Soviet - West German relations remain generally good and the Brezhnev trip is intended as a further demonstration of Moscow's desire for a reconciliation with Bonn.

**FOR THE PRESIDENT ONLY**

*Top Secret*



## *The President's Daily Brief*

*6 March 1973*

*45*



~~Top Secret~~<sup>25X1</sup>

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

CENTRAL INTELLIGENCE AGENCY

WASHINGTON, D.C. 20505

TOP SECRET

6 March 1973

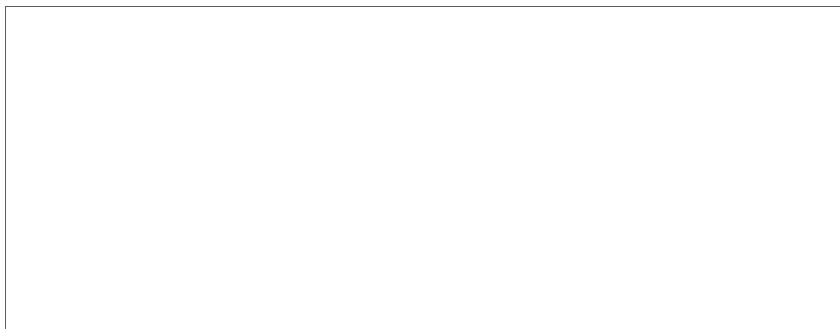
25X1

25X1

25X1

TOP SECRET

EYES ONLY FOR THE PRESIDENT



25X1

**FOR THE PRESIDENT ONLY**

**THE PRESIDENT'S DAILY BRIEF**

6 March 1973

**PRINCIPAL DEVELOPMENTS**

25X1

The dollar strengthened yesterday in unofficial trading, while European finance ministers discussed the problems of a joint float. (Page 1)

25X1

North Vietnam

25X1

(Page 2)

25X1

225X1

Final Chilean election returns confirm that President Allende's coalition has gained several congressional seats. (Page 4)

In Turkey, General Faruk Gurler has taken the first step toward being elected president next week.  
(Page 4)

**FOR THE PRESIDENT ONLY**

*FOR THE PRESIDENT ONLY*

## **INTERNATIONAL MONETARY DEVELOPMENTS**

The dollar strengthened world-wide yesterday in unofficial interbank trading. The dollar showed its greatest strength relative to the pound and Swiss franc. The pound closed down 2 percent from Friday while the Swiss franc was off 2.6 percent.

Yesterday the EC finance ministers held preliminary discussions on the problems of a joint float and called for a meeting on Friday of the Group of Ten and representatives from the smaller EC countries. At Friday's meeting the French hope to convince the US that the present rate structure should be defended. Failing this, they may still agree to support a joint EC float, assuming the UK also agrees.

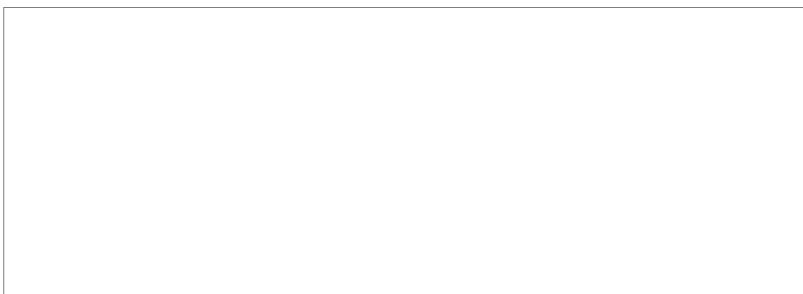
The West Germans hope that agreement can be reached on a joint EC float, believing that otherwise they may be forced to float independently. The Germans nevertheless regard a joint US-European solution as politically and psychologically important.

The Tokyo foreign exchange market remains closed and probably will not reopen until the European markets do.

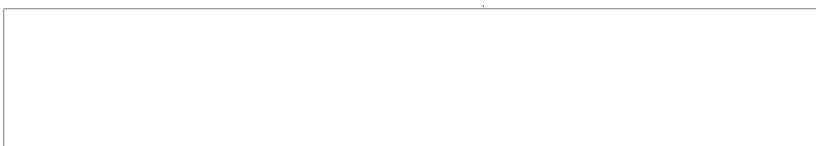
*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

**VIETNAM**

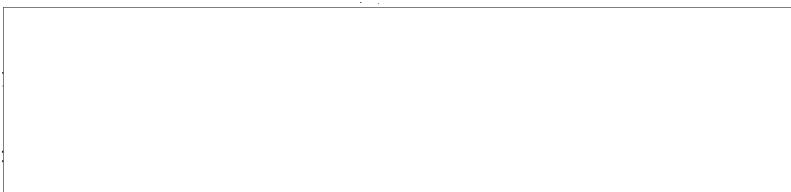


25X1



25X1

\* \* \*



25X1



25X1

\* \* \*

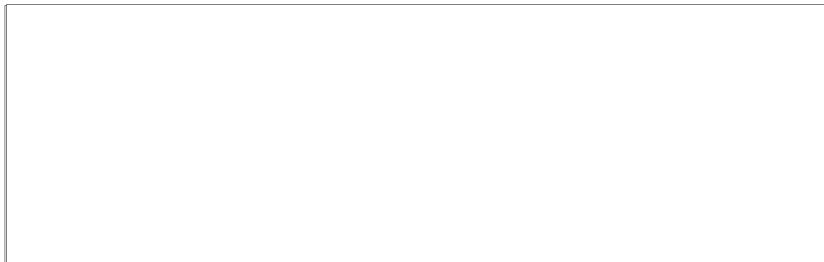
President Thieu on 3 March directed the Joint General Staff to order all military commanders to reduce the level of fighting throughout the country and generally "to stop attacking the Communists." Thieu had earlier issued orders to his province chiefs to bar all "violent" demonstrations against Communist truce teams. The President has also commissioned a study on the effect of a partial demobilization of regular army troops over the next nine months.

*FOR THE PRESIDENT ONLY*

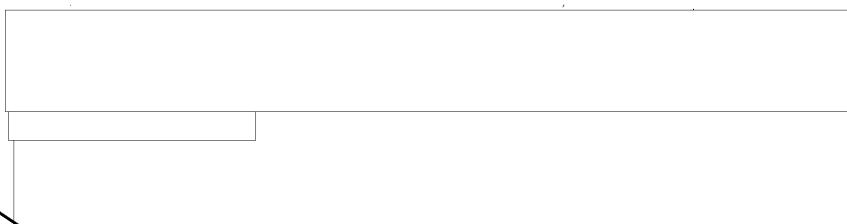
*FOR THE PRESIDENT ONLY*

25X1

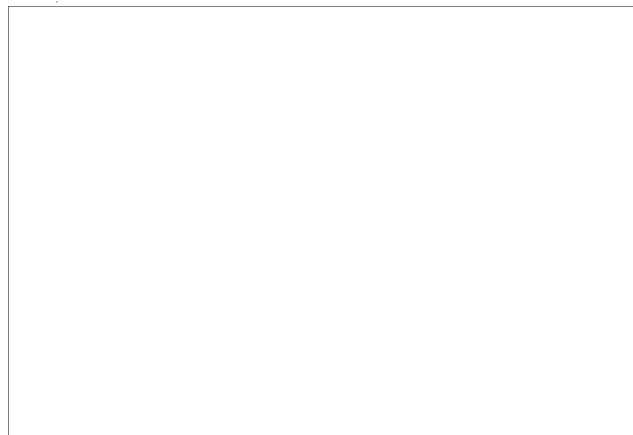
EGYPT-LIBYA



25X1



25X1



25X1

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

**NOTES**

Chile: Final elections confirm that President Allende won a major psychological victory in last Sunday's elections. According to the results announced last night, his Popular Unity coalition won 43.4 percent of the vote--well above the 40 percent he said would constitute an "absolute victory"--and whittled several seats from the opposition's majorities in both houses of Congress. General Prats apparently intends to keep the armed forces in the cabinet, and there are signs that he may renew efforts to get the Christian Democrats into an exploratory "dialogue" with the government in an effort to ease political tensions.

Turkey: General Faruk Gurler resigned as chief of the general staff yesterday afternoon in the first in a series of moves enabling him to become president. To be eligible for the presidency, Gurler must be a member of parliament; the defense minister has resigned from the Senate, providing a vacancy to which Gurler is expected to be named by incumbent president Cevdet Sunay. Parliament's election of Gurler as president on 13 March seems assured.

Romania: Romania has become the first Warsaw Pact country to buy US passenger aircraft. A contract for the purchase of three Boeing 707-320C long-range jet airliners, spare parts, and spare engines, valued at \$45 million was signed last week. One of the aircraft will be configured for VIP service.

*Top Secret*



## *The President's Daily Brief*

7 March 1973

45

25X1

~~Top Secret~~

Exempt from general  
declassification schedule of E.O. 11652  
exemption category 3a (1)(2)(3)  
Declassified under authority of  
the Director of Central Intelligence

EYES ONLY FOR THE PRESIDENT

CENTRAL INTELLIGENCE AGENCY

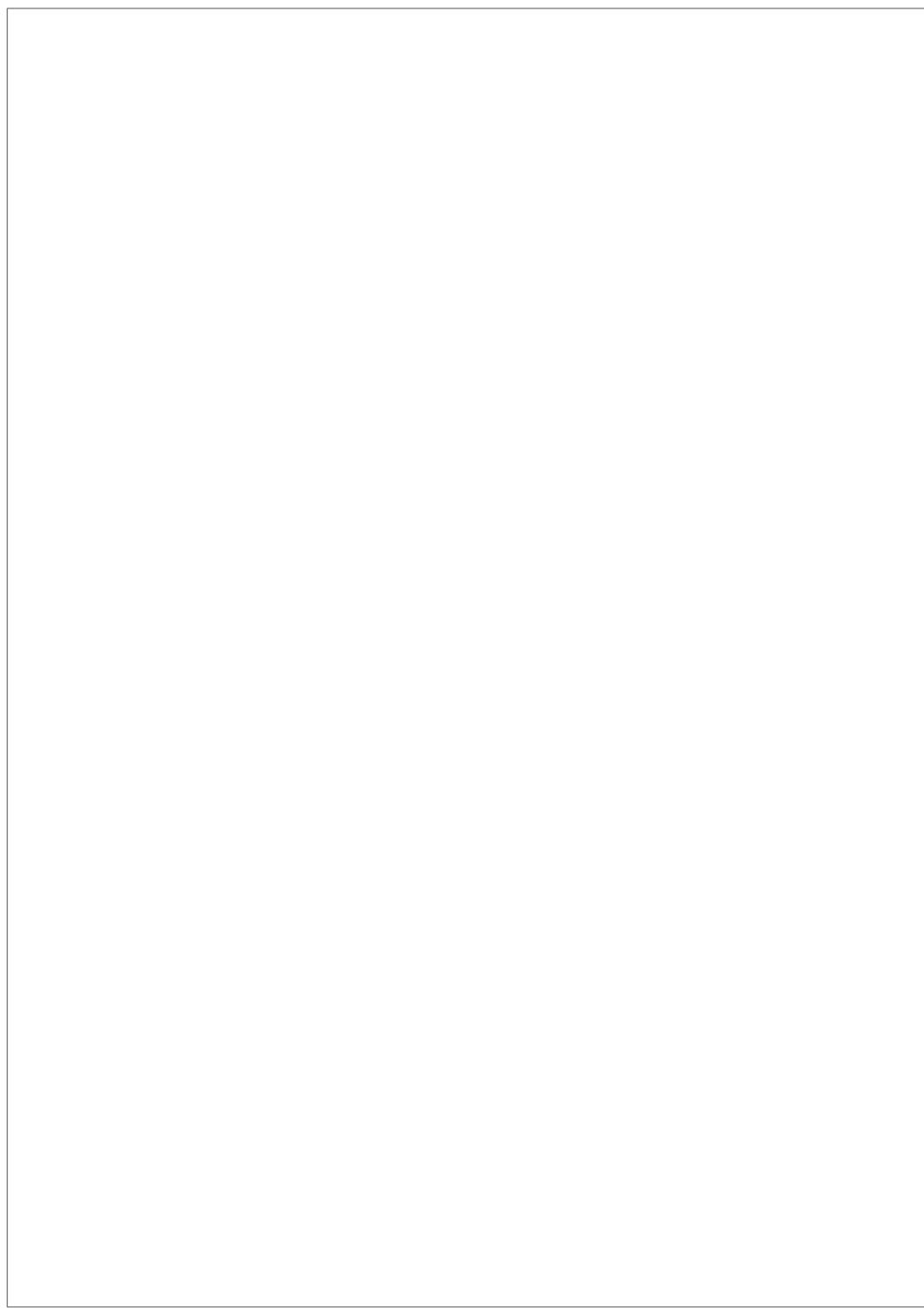
WASHINGTON, D.C. 20505

7 March 1973

25X1



225X1



TOP SECRET

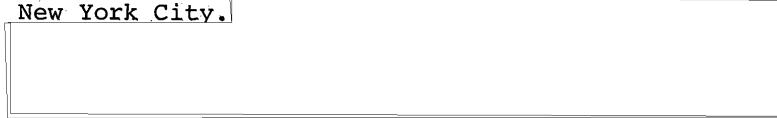
EYES ONLY FOR THE PRESIDENT

*FOR THE PRESIDENT ONLY*

LATE ITEM

25X1

Fedayeen-Israel: Vehicles containing explosives were found during the night outside three separate buildings housing Israeli businesses in New York City.



25X1

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

**THE PRESIDENT'S DAILY BRIEF**

7 March 1973

**PRINCIPAL DEVELOPMENTS**

Sudanese President Numayri is building a case for treating the eight terrorists as separate from the "Arab cause." (Page 1)

More troops have entered the infiltration pipeline in North Vietnam. (Page 2)

Chinese construction crews continue to extend two road spurs in northwest Laos. (Page 3)

In the Philippines, President Marcos has expressed increased alarm over Muslim insurgency in the south and has requested emergency deliveries of US military equipment. (Page 4)

Egypt's President Sadat has imposed stricter censorship and dismissed more writers in a renewal of his campaign against those he believes are out of step with his policies. (Page 5)

Prime Minister Papadopoulos is determined to take strong measures in Greece, including reimposition of martial law, unless order is quickly re-established in the universities. (Page 5)

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

**SUDAN-FEDAYEEN**

In his hard-hitting speech to the National Assembly yesterday, President Numayri not only charged Fatah--the largest and most heavily funded of the fedayeen organizations--with responsibility for the recent assassinations but went on to denounce it for actually working against the Sudanese Government. He said Fatah had contacts with anti-regime forces in and out of the country, that it was trying to embarrass Sudan by staging the Khartoum operation, and that it was attempting to stir up trouble between Sudan and Eritrea. At the same time, he pointed out that Sudan's support for the Palestinian cause is well known.

*By connecting the assassinations to more general anti-regime activity, Numayri apparently is building a case for treating the eight terrorists as separate from the "Arab cause." Regarded in this light, Numayri can maintain that they are subject to severe punishment free from outside pressure.*

*FOR THE PRESIDENT ONLY*

FOR THE PRESIDENT ONLY

VIETNAM

More troops have entered the infiltration pipeline in North Vietnam. An intercepted North Vietnamese message disclosed that two infiltration groups totaling more than 1,100 combat troops will move through the Vinh area on 10 and 11 March. Both groups are earmarked for the two northern provinces of South Vietnam, and they should arrive by early April.

[redacted] other groups--  
[redacted] may have  
moved south toward the same area undetected. [redacted] North Vietnamese  
troops are now estimated to have started  
south since [redacted]  
[redacted] the cease-fire went into effect.

25X1

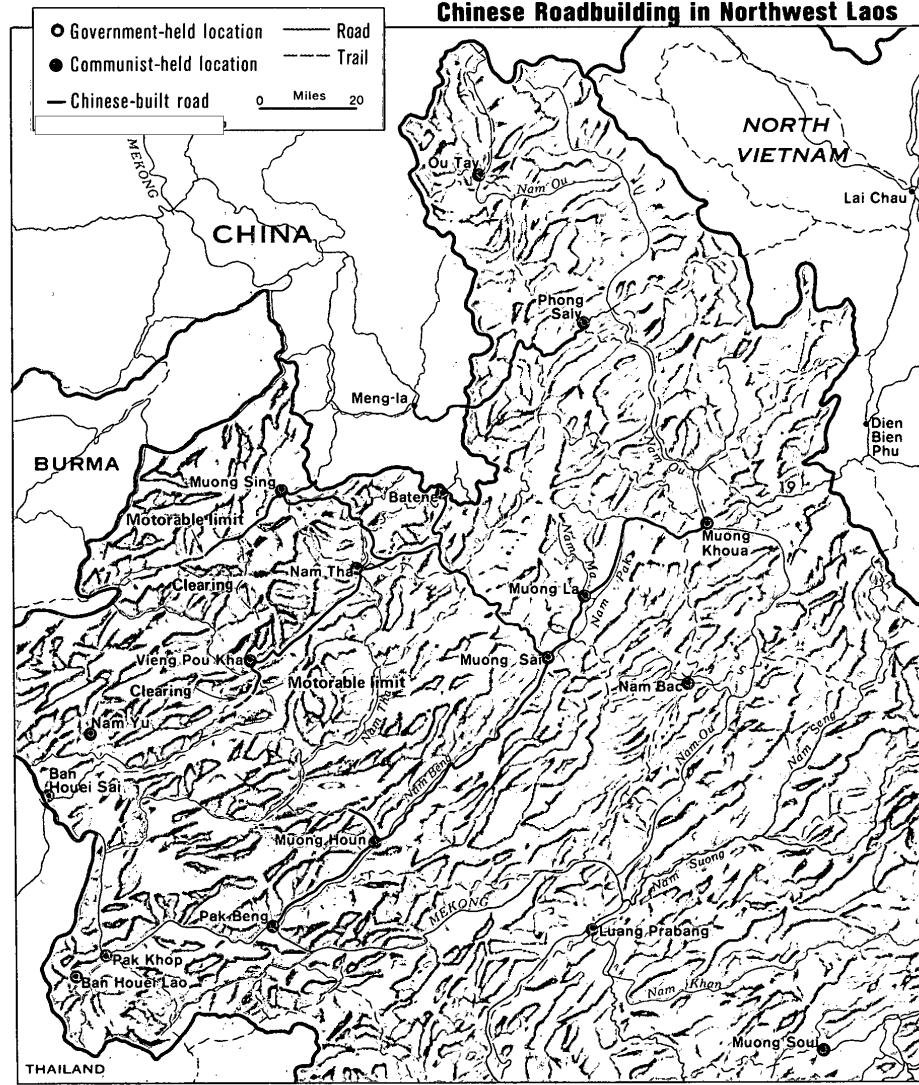
25X1

Since early September 1972, approximately 85,000 North Vietnamese troops have started south--about the same number that departed during the 1971-72 dry season. The Communists suffered heavy casualties in South Vietnam last year, and current infiltration is intended to rebuild forces in the northern and southern portions of the country. The flow of fresh troops to the central part of South Vietnam has not been heavy, and it appears that the Communists are not fully replacing losses in this area.

Continued infiltration since the cease-fire indicates Hanoi's intention to maintain a relatively large force in South Vietnam thereby enabling it to retain the option for military or political action.

FOR THE PRESIDENT ONLY

## **Chinese Roadbuilding in Northwest Laos**



25x1

*FOR THE PRESIDENT ONLY*

**LAOS**

Chinese crews in northwest Laos have extended a motorable road, begun late last year from Nam Tha near the China border, some 45 miles to the southwest. Aerial photography also shows preliminary clearing extending on toward an existing road leading north from Ban Houei Sai, a government-held town on the Mekong River bordering Thailand.

*At their present pace, Chinese crews could easily connect the two roads before the onset of the rainy season in mid-May.*

*When the Chinese built a road to Pak Beng, some 20 miles north of the Thai border, in mid-1972, Thai leaders expressed considerable concern. If the new construction continues toward Ban Houei Sai, Bangkok's anxiety over Peking's intentions will be further aroused.*

Photography [redacted] revealed that the Chinese are still working on a road leading from Muong Sing--also near the China border--toward Burma. Preliminary clearing extends to within 11 miles of the Burma border on the Mekong.

25X1

*No government units are in this area, and a motorable road could be completed before the rains begin.*

*FOR THE PRESIDENT ONLY*

FOR THE PRESIDENT ONLY

PHILIPPINES

President Marcos on Monday requested emergency deliveries of US military equipment--particularly helicopters--to overcome what he calls a deteriorating military situation in the south. Marcos claims that Muslim actions are "taking on the nature of a definite secessionist movement," and he raised the specter of another Bangladesh.

*A government military campaign recently launched against Muslim strongholds apparently found the insurgents better fortified and armed than expected.*

25X1  
25X1

Government spokesmen are publicly blaming "foreign interests" for contributing to rebel strength. Within diplomatic channels, Marcos is being more explicit, charging Malaysia with providing arms and training.

*Public charges of foreign involvement may be intended to rally popular nationalist sentiment and boost support for Marcos' regime. These charges, on the other hand, could have serious consequences for the continued development of the Association of Southeast Asian Nations and for regional unity in general.*

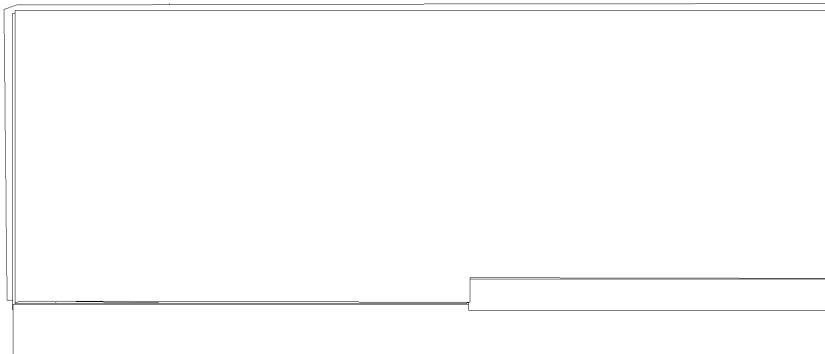
*By expressing greater alarm about the long-standing Muslim problem, Marcos apparently believes he improves his chances of persuading the US to increase its military aid program. Marcos' request for US military aid may also be designed to obtain tangible evidence of Washington's support for his administration.*

FOR THE PRESIDENT ONLY

*FOR THE PRESIDENT ONLY*

25X1

**NOTES**



25X1

25X1

25X1

25X1

Egypt: President Sadat has imposed stricter censorship and dismissed 65 more writers in a renewal of his campaign against those he believes are out of step with his policies. Journalists and editors are particularly suspect to Sadat because many are leftist-oriented. In addition to internal effects, Sadat believes that domestic criticism and the appearance of disunity hamper his diplomatic efforts to deal with the Israeli dispute.

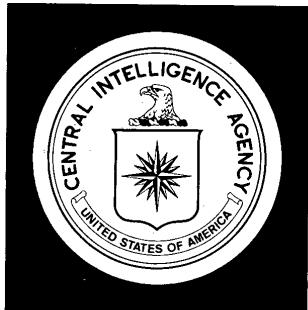
25X1

Greece: Prime Minister Papadopoulos is furious over the continuing student unrest. He is determined to take strong measures, including reimposing martial law, unless order is quickly re-established in the universities. Papadopoulos and other Greek leaders are worried that the dissidence will spill over into other segments of society. Some students have returned to classes, but a vocal minority in Athens University continues to protest.

South Vietnam: Activity among potential "third-force" aspirants is picking up. Big Minh, one of the more prominent such figures, has publicly signaled his availability, although in private he indicated he was more interested in a government position than a role in the National Council of Reconciliation and Concord. Some An Quang Buddhists and South Vietnamese exiles are interested in serving on the NCNRC, however. Both the Communists and the Thieu government are continuing their attempts to influence potential "neutralists." The Viet Cong, for instance, are urging their exile contacts in Paris to return to South Vietnam so as not to be overshadowed by third-force elements they do not control, such as Minh and former emperor Bao Dai.

*FOR THE PRESIDENT ONLY*

*Top Secret*



# *The President's Daily Brief*

*8 March 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

CENTRAL INTELLIGENCE AGENCY

WASHINGTON, D.C. 20505

TOP SECRET

8 March 1973

25X1

25X1  
25X1

TOP SECRET

EYES ONLY FOR THE PRESIDENT

**FOR THE PRESIDENT ONLY**

**THE PRESIDENT'S DAILY BRIEF**

8 March 1973

**PRINCIPAL DEVELOPMENTS**

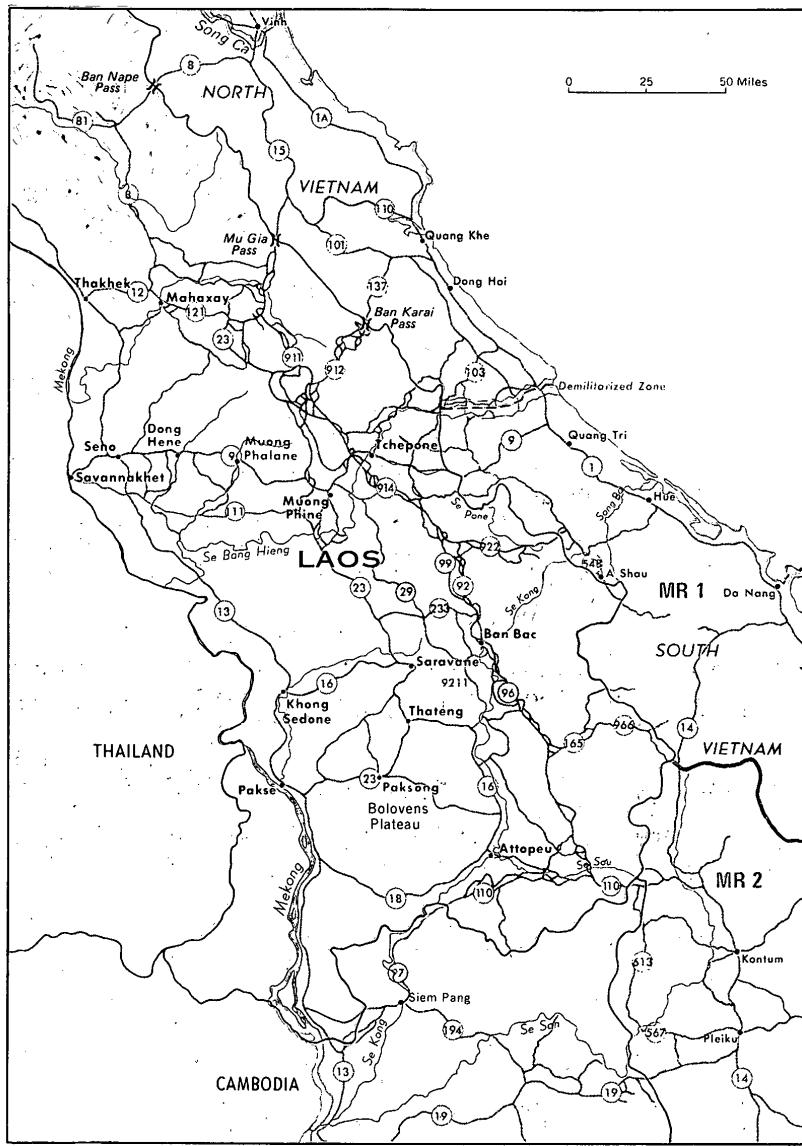
The North Vietnamese are still moving large quantities of supplies into South Vietnam. (Page 1)

25X1

China is trying to improve relations with India and Bangladesh. (Page 2)

[Redacted]  
On Page 4, we present our latest estimate of Soviet winter grain production.

**FOR THE PRESIDENT ONLY**



554206 3-73

*FOR THE PRESIDENT ONLY*

**INDOCHINA**

25X1

[redacted] aerial photography confirm that large quantities of supplies continue moving into and through the Lao panhandle as the North Vietnamese take advantage of the bombing halt there to resupply units in all regions of South Vietnam. Traffic is heaviest through the Ban Karai Pass, where the rate of truck travel appears to be equal to peak levels of past dry seasons.

25X1

There are indications of continuing heavy movement of supplies from Vinh south to the DMZ, albeit at a pace lower than before the cease-fire. Heavy barge traffic was noted near Vinh on 23 February, probably along the Song Ca River [redacted]

25X1

25X1

25X1

\* \* \*

25X1

*FOR THE PRESIDENT ONLY*

FOR THE PRESIDENT ONLY

CHINA-INDIA-BANGLADESH

China once more is signaling its interest in improving relations with India. [redacted] 25X1  
[redacted] the Chinese Foreign Ministry has shifted from its earlier tactic of raising a wide spectrum of Sino-Indian problems. [redacted] 25X1  
[redacted] a return of the 90,000 Pakistani prisoners held in India would result in the restoration of normal relations between Peking [redacted] 25X1  
[redacted] The Chinese have also apparently decided to send a counselor as chargé in New Delhi-- an increase in rank over the present level. 25X1

The Chinese, because of their support for Pakistan, cannot go much further until the status of the prisoners is settled. Prospects for movement on the prisoner-of-war issue could improve now that yesterday's elections in Bangladesh are out of the way.

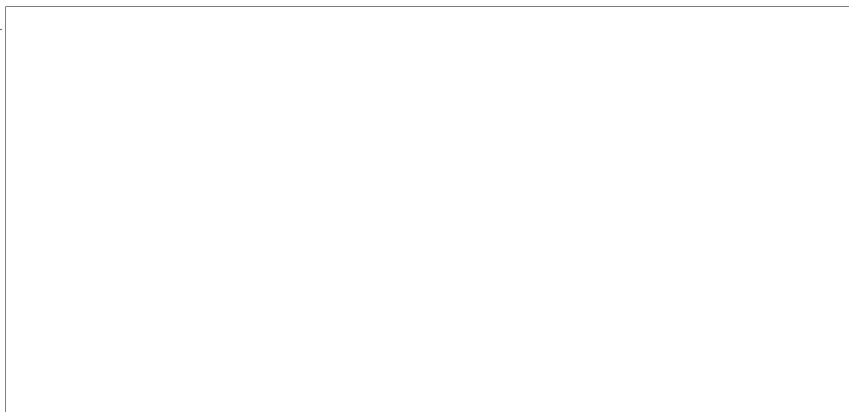
Mujib's victory now leaves him free to tackle this emotional issue. He has said many times that he wants better relations with Peking. [redacted] 25X1

All three countries have a stake in improving mutual relations. Bangladesh wants to lessen its heavy dependence on India and the USSR. India may hope to loosen its uncomfortably close ties with Moscow. Peking is well aware that India is the major power in South Asia and that if it is to counter Soviet influence in the region, it can do so best in New Delhi.

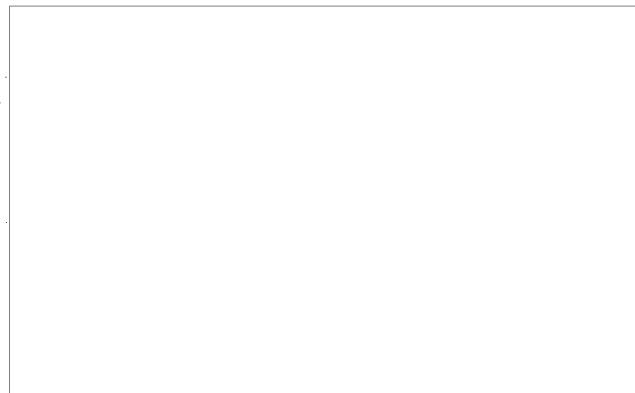
FOR THE PRESIDENT ONLY

*FOR THE PRESIDENT ONLY*

**WEST GERMANY**



25X1



25X1

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

**NOTES**

USSR: It now appears that the surviving winter grain area in the Soviet Union will be about 23 million hectares, compared with 23.5 million last year and an average annual figure of 31 million between 1966 and 1970. Winter grains normally provide about one third of total grain production. A major effort will be required to plant spring grains in winterkill areas. Moreover, according to a Central Committee member, Soviet agricultural specialists are worried because much of the seed grain is of such poor quality that it may not germinate and because some varieties imported for seed are unsuitable for Soviet conditions.

UN: Secretary-General Waldheim is thinking of giving the Provisional Revolutionary Government of South Vietnam some sort of official status in New York. On Wednesday, Waldheim told the permanent members of the Security Council that the establishment of a PRG "liaison office" at the UN would be useful in discussions of humanitarian aid to Vietnam and provide a way to "contact all parties" if it proved necessary to reconvene the Paris Peace Conference. Earlier, he told the press that he had the authority to grant "observer" status to the Viet Cong's "government." Establishment of a "liaison office" would not necessarily imply UN recognition that the PRG represented a state, but "observer" status has historically meant UN recognition of statehood.

*Top Secret*



## *The President's Daily Brief*

*9 March 1973*

*45*



~~Top Secret~~ 25X1

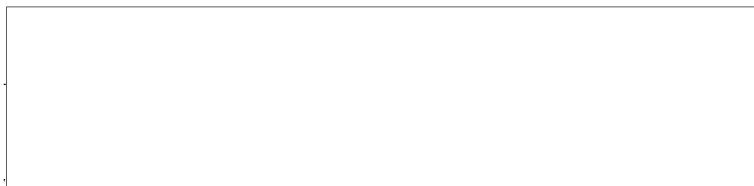
Exempt from general  
declassification schedule of E.O. 11652  
exception category (b) (1), (2), (3)  
declassified only on approval of  
the Director of Central Intelligence

CENTRAL INTELLIGENCE AGENCY

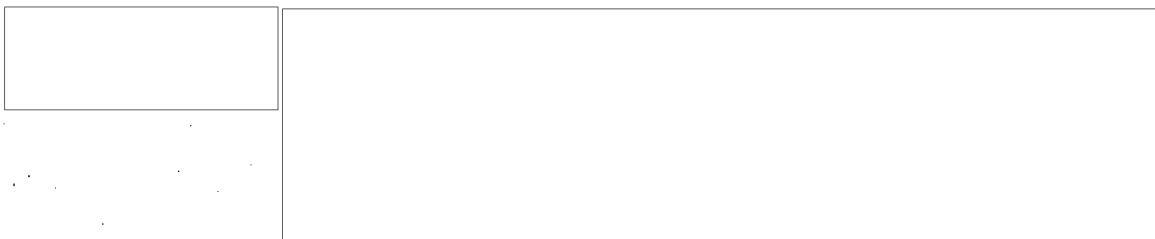
WASHINGTON, D.C. 20505

TOP SECRET

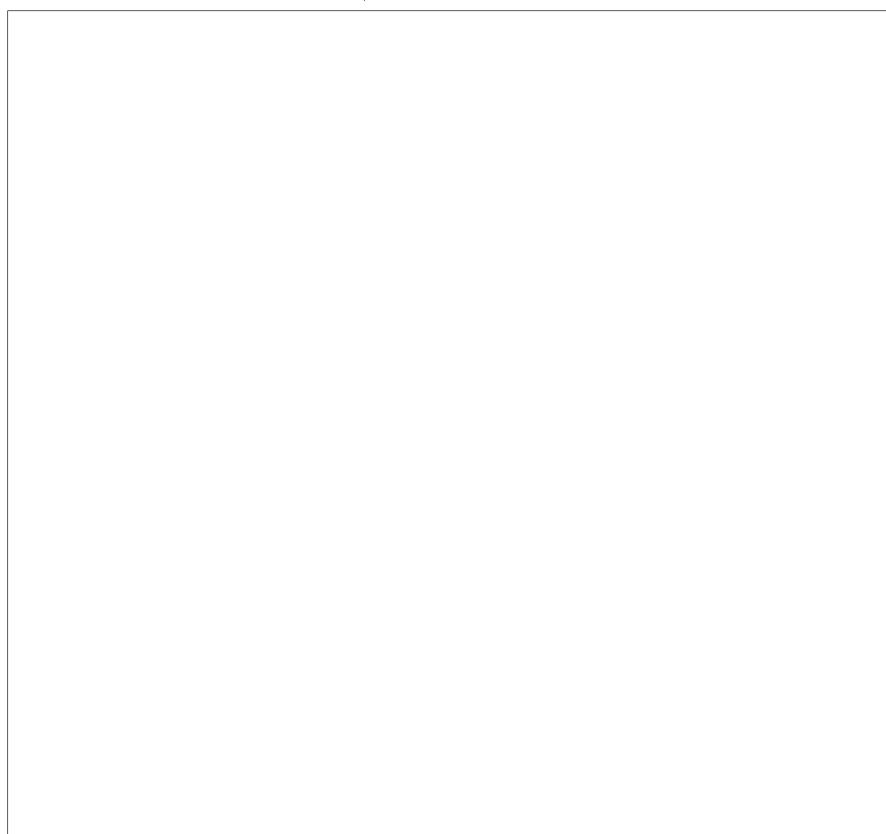
9 March 1973



25X1



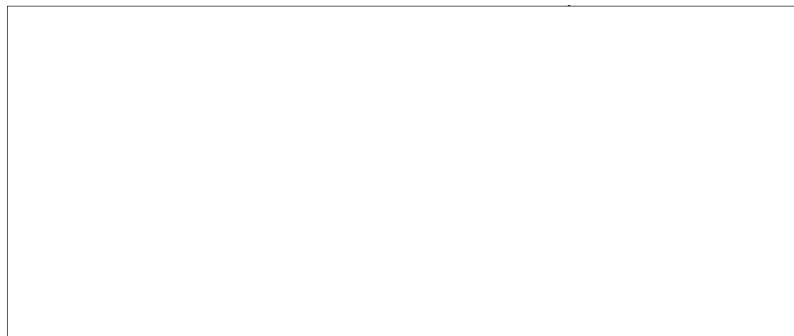
25X1



25X1

TOP SECRET

EYES ONLY FOR THE PRESIDENT



25X1

**FOR THE PRESIDENT ONLY**

**THE PRESIDENT'S DAILY BRIEF**

9 March 1973

**PRINCIPAL DEVELOPMENTS**

25X1

[redacted] there are growing indications that Arab guerrillas are giving special emphasis to operations against Americans. (Page 1)

25X1

Agreement among Japan's opposition parties to cooperate in the Diet will add measurably to Tanaka's difficulties in dealing with major issues. (Page 2)

Peruvian President Velasco [redacted]

25X1

[redacted] His most likely successor is Prime Minister Mercado. (Page 3)

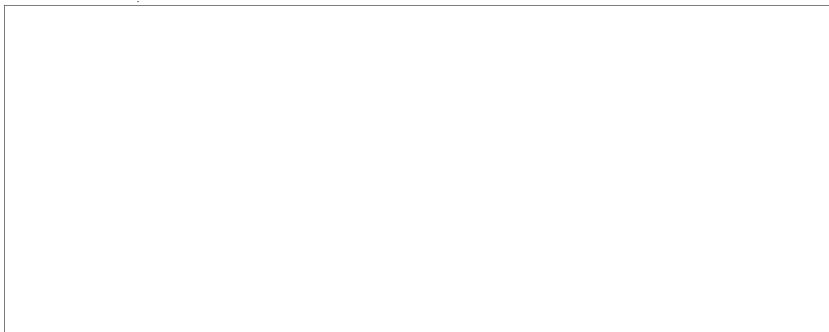
25X1

25X1

**FOR THE PRESIDENT ONLY**

*FOR THE PRESIDENT ONLY*

FEDAYEEN



25X1



25X1

There are growing indications that Arab terrorists are giving special emphasis to operations against Americans. US officials in Amman are said to have been the main target of an aborted fedayeen operation last month in Jordan in which the guerrillas planned to attack the embassy and seize the ambassador and military attaché.

25X1

*FOR THE PRESIDENT ONLY*

**FOR THE PRESIDENT ONLY**

**JAPAN**

The four opposition parties have agreed to co-operate in the Diet on several specific topics. The issues include yen revaluation, inflation, and speculation in land and commodities. The parties' meeting on Wednesday was the first time in six years that they have sat down together.

*Even if the alliance does little more than disrupt and delay Diet proceedings, these tactics will add measurably to Tanaka's difficulties in dealing with major issues. He is already being sniped at by members of his own party, and Japanese governments customarily do not force a vote unless at least one opposition party agrees to end debate.*

*The opposition arrangement is fragile, however, because it does nothing to resolve the parties' fundamental differences. Quarreling has been especially bitter between the Communists and Socialists.*

*Perhaps more significant over the long term is the new willingness of the Socialist Party and the Komeito to work with the Communists at the local level.*

*Komeito's shift to the left already has allowed the Socialist governor of Tokyo to put together a clear majority of the Metropolitan Assembly.*

*FOR THE PRESIDENT ONLY*

**PERU**



25X1  
25X1

25X1

*Mercado stands fairly well with both the moderates and the radicals in Peru's revolutionary government. Although not the first choice of either group, he appears to be the best bet, given the widespread desire to avoid an open succession battle.*

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

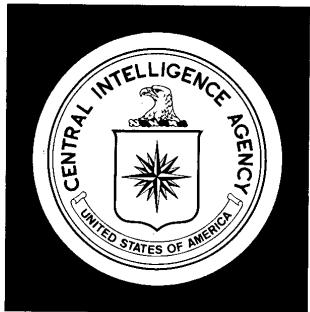
**NOTE**

**USSR:**

25X1  
25X1  
25X1

*FOR THE PRESIDENT ONLY*

*Top Secret*



# *The President's Daily Brief*

*10 March 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

CENTRAL INTELLIGENCE AGENCY

WASHINGTON, D.C. 20505

10 March 1973

[Redacted]

25X1

[Redacted]

25X1

[Redacted]

25X1

[Redacted]

[Redacted]

25X1

25X1

[Redacted]

25X1

25X1

[Redacted]

25X1

[Redacted]

25X1

[Redacted]

25X1

25X1

[Redacted]

25X1

25X1

[Redacted]

25X1

[Redacted]

25X1

25X1

EYES ONLY FOR THE PRESIDENT

25X1

25X1

25X1

25X1

25X1

25X1

25X1

FOR THE PRESIDENT ONLY

THE PRESIDENT'S DAILY BRIEF

10 March 1973

PRINCIPAL DEVELOPMENTS

Finance ministers of major nations have deferred any final decisions until next Friday, but the EC may have already agreed on a joint float against the dollar on a contingency basis. (Page 1)

On Page 2 we assess the outlook for tomorrow's run-off elections in France. The government seems headed for a narrow victory.

Tomorrow's first-round elections in Argentina seem likely to give the Peronists' candidate a strong plurality. [redacted]

(Page 3)

25X1

25X1

Manila is threatening to air accusations of Malaysian complicity with Muslim insurgents in Mindanao. (Page 4)

The USSR [redacted] delivered its "FROG-7" tactical surface-to-surface rocket system to Syria. (Page 5)

25X1

Pakistani pilots and crews have completed training in China on a squadron of TU-16 medium bombers. (Page 5)

FOR THE PRESIDENT ONLY

*FOR THE PRESIDENT ONLY*

## INTERNATIONAL MONETARY DEVELOPMENTS

With decisions among the finance ministers of major nations deferred until next Friday, trading in foreign exchange markets apparently will be limited to interbank transactions for another week. The dollar firmed somewhat in light interbank trading in Europe yesterday.

EC [redacted] community toned down the proposals for US action it had prepared for yesterday's meeting in Paris--apparently from near-demands to "suggestions for mutual reflection." The link between trade and monetary issues was deliberately omitted.

25X1

[redacted] London has given the first sign of softening its preconditions for entry into a joint EC float, and France now seems less categorically opposed to a joint float than it has indicated publicly.

25X1

The EC may in fact have already agreed on a joint float against the dollar on a contingency basis. [redacted]

25X1

[redacted]

*Presumably the joint float would be activated if next Friday's meeting fails to produce an agreement to return to fixed parities against the dollar, with the US actively intervening in the foreign exchange market to support the new dollar rate.*

*FOR THE PRESIDENT ONLY*

**FOR THE PRESIDENT ONLY**

**FRANCE**

The past week has been one of bargaining within the competing electoral alliances in preparation for tomorrow's runoff elections. Thus, candidates of the governing coalition and the centrist Reformist group are withdrawing in each other's favor in certain districts. Members of the left coalition are doing the same. As a result of such jockeying, in about 310 of the 430 races there will be a direct choice between a leftist and either a Gaullist or a Reformist.

*It now looks as if the government will retain control of the National Assembly, either with a thin majority of its own or with the help of the Reformists. Even though the leftists will gain many seats, it is unlikely that they will have much more influence in the Assembly because they agreed, in forming their electoral coalition, that neither the Communists nor the Socialists would surrender their differing positions on national issues.*

*After the dust has settled, President Pompidou will have to make some changes in recognition of his diminished majority. He is likely to broaden the coalition's base by bringing in additional Reformists and other moderates, thereby reducing its dependence on ultra-Gaullists. Most policy changes will be in the domestic field, but eventually the infusion of new blood could influence the government toward better relations with the US and greater cooperation with NATO and the EC.*

**FOR THE PRESIDENT ONLY**

**ARGENTINA**

The Peronists are ahead in the presidential election set for tomorrow. If their candidate, Hector Campora, gets over 40 percent of the vote he will be hard to stop in the second round next month. If Campora falls much short of 40 percent, the likely second runner, Ricardo Balbin, will have a chance to rally the anti-Peronist vote and pull off a victory in April.

Last month President Lanusse wanted to move against the Peronist trend, but his military colleagues talked him out of canceling the election or banning the Peronists. Although the Peronists are anathema to the military, officers were restrained mainly by fear of a prolonged violent reaction.

If Campora does well tomorrow, however, pressures for military intervention will mount. An outburst of violence tomorrow, which some sources predict, could be the last straw. The government has mobilized 200,000 men in its security forces in an effort to assure orderly balloting.

Whether Balbin or Campora comes out on top, the next government will be more statist and nationalist than Lanusse's. Even another military government would lean this way in its effort to win popular support.

**FOR THE PRESIDENT ONLY**

*FOR THE PRESIDENT ONLY*

## PHILIPPINES

To further President Marcos' drive against the Philippine Muslims, Foreign Secretary Carlos Romulo this week called a carefully staged meeting of representatives of the other members of the Association of Southeast Asian Nations--Malaysia, Singapore, Indonesia, and Thailand. He accused Malaysia of allowing the ruler of its state of Sabah to send foreign mercenaries to join the Muslim insurgents with the object of creating a separate Muslim state in Mindanao.

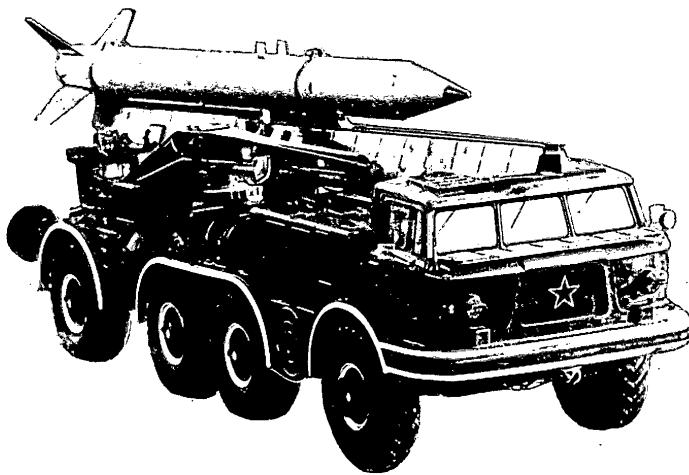
Romulo warned that Marcos was about to make a public statement to this effect, and implied that if Malaysia did not act against the ruler of Sabah now, there would be trouble later.

Romulo subsequently made a show of contacting Marcos to pass on the diplomats' heated objections, and claimed that Marcos had agreed to withhold his proposed statement.

*Marcos may yet decide to issue such a statement in order to stimulate nationalist feeling and bolster his popular backing. In fact, supplies are channeled to the dissidents through Sabah but other sources are also available. At bottom, it is the Muslim fear of oppression, or even extermination, by Christian Filipinos that keeps the rebels fighting.*

*FOR THE PRESIDENT ONLY*

FROG-7s in Syria



Launcher weight (with rocket) .....	about 13 tons
Rocket weight .....	5,000 - 6,000 pounds
High explosive warhead weight .....	1,200 pounds
Maximum range .....	37 - 43 miles
Propellant .....	solid

554211 3-73 CIA

25X1

*FOR THE PRESIDENT ONLY*

**NOTES**

USSR-Syria: The Soviets' tactical surface-to-surface rocket system known as the FROG-7 has been in Syria since at least February, [redacted]

25X1  
25X1

[redacted] The FROG-7 is widely deployed with Warsaw Pact forces and was introduced into Egypt in late 1970. It is fired from a wheeled vehicle, has a maximum range of about 43 miles, and could be used against troop concentrations, unfortified artillery positions, and civilian population centers.

Pakistan-China: Pilots and crews sent to China last summer for intensive training on a squadron of TU-16 medium bombers recently returned to Pakistan.

25X1

[redacted] the squadron--probably some 12 to 16 aircraft--will remain in China to avoid alarming India, but would be flown to Pakistan in a wartime emergency. Meanwhile, the pilots will keep active by flying Pakistan's only squadron of B-57 light bombers [redacted]

25X1  
25X1

Korea: The two governments announced yesterday that the next round of negotiations on unification will be held on 14 March. Pyongyang had canceled the meeting scheduled for last week, and a firing incident in the DMZ last Wednesday had cast an additional cloud over the series of talks. The speed with which Seoul and Pyongyang set a new date and the failure of either to exploit the shooting incident in its propaganda show that both wish to avoid a breakdown in the dialogue, despite the lack of substantive progress so far.

Panama: [redacted]

25X1

25X1

*Top Secret*



## *The President's Daily Brief*

*12 March 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

25X1

USSR

The Soviets clearly will need to import Western grain during 1973, even with normal weather for the rest of the growing season.

This year's crop is off to a poor start. The area sown to winter grains was a fifth less than planned because of excessively dry soil, and the crop has been exposed to above-normal winterkill.

This could grow considerably if:

- the spring sowing is below par
- the weather fails, or
- they stick to their original plan to increase livestock products.

A deficit over five million tons will probably force the Soviets to buy US grain. Above that figure dependence on US supplies will increase rapidly.

TOP SECRET

EYES ONLY FOR THE PRESIDENT

**Page Denied**

*FOR THE PRESIDENT ONLY*

**LATE ITEM**

As of 5:30 AM (EST) returns from 90 percent of the votes cast in the Argentine election show the Peronist presidential candidate, Hector Campora, receiving more than 48 percent of the vote. His main rival, Ricardo Balbin of the Radical Party is far behind with about 21 percent.

The atmosphere at army headquarters is described as tense. Some senior officers believe Campora can achieve the necessary 50 percent that he needs to win without a runoff election.

*Military officers will reassess their position today after the count is completed.*

25X1

*[redacted] there will be strong pressures on President Lanusse to prevent the Peronists from taking power.*

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

THE PRESIDENT'S DAILY BRIEF

12 March 1973

PRINCIPAL DEVELOPMENTS

25X1

Arab terrorists

25X1

(Page 1)

Six Common Market states agreed to a joint float of their currencies yesterday. (Page 2)

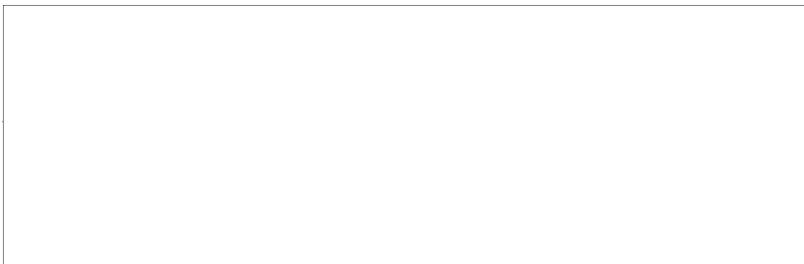
President Pompidou's coalition has won a clear victory in the runoff elections in France. (Page 3)

The South Vietnamese Government and the Viet Cong are preparing for protracted negotiations in Paris beginning next Monday. (Page 5)

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

**ARAB TERRORISM**

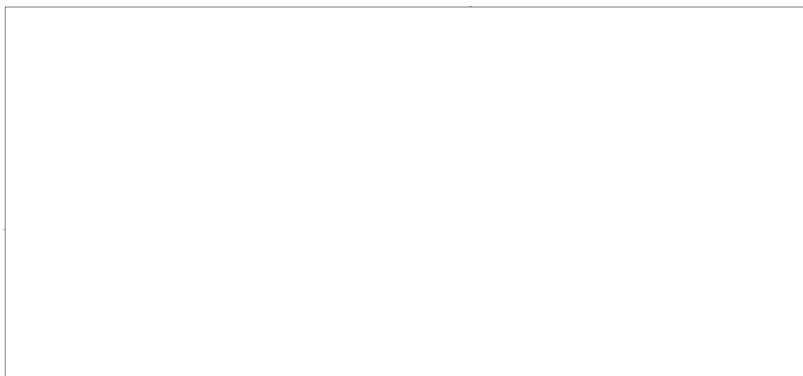


25X1



25X1

\* \* \*



25X1

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

## INTERNATIONAL MONETARY DEVELOPMENTS

Finance ministers of six EC states--West Germany, France, Denmark, Belgium, Luxembourg, and the Netherlands--agreed yesterday to jointly float their currencies against the dollar as of 19 March. Meanwhile, the participating six will create a \$10-billion common reserve fund to support the float. Bonn will provide the bulk of the fund. The EC will present its plan at a meeting of industrial nations in Paris on Friday.

Bonn announced last night a three-percent revaluation of the mark relative to its partners in the float. This action, which also is to take effect next Monday, probably paved the way for French participation. Paris originally had demanded the participation of the UK in the joint float in order to prevent too rapid an appreciation of European currencies. Revaluation of the mark will help serve the same purpose.

The UK, Ireland, and Italy, the other EC members, already are floating their currencies and will continue to do so independently. London's conditions for entering the joint float were deemed too expensive by the other Europeans. The ministers agreed, however, to study ways to help the British, Irish, and Italians, to participate.

Meanwhile, the Danish finance minister said he expected Sweden, Finland, Norway, Austria, and Switzerland to enter the joint float.

*FOR THE PRESIDENT ONLY*

**FOR THE PRESIDENT ONLY**

**FRANCE**

Almost complete results give President Pompidou's Gaullist coalition a clear victory in the final round of parliamentary elections yesterday. The governing coalition has 256 of the 490 seats, and 46 percent of the votes. Pompidou can also expect the votes of 15 independents who ran in support of the coalition.

This means the coalition can continue to govern alone, without the help of Reformists. The Reformists have 28 seats and a good chance to pick up two more, thus gaining the minimum necessary for the status and privileges of a formal parliamentary group.

The left alliance garnered only 181 seats, even though it polled 46.8 percent of the votes.

*This result was due to careful government gerrymandering. Most leftist deputies represent heavily populated urban districts. The disappointing showing by the leftists could cause the alliance to fall apart, particularly if Socialist leader Mitterrand concludes that he must change his strategy in preparation for his 1976 presidential race against Pompidou.*

A heavy voter turnout of over 80 percent helped the government.

*In France, leftists have frequently voted in large numbers, while less disciplined voters have not. Yesterday, the centrist and uncommitted voters came out in force to support the Gaullists and their partners.*

*Such voters appeared to be responding to the choice between "Marxist Communism and freedom" posed by Pompidou on election eve. In the same speech, Pompidou also promised "bold social reforms" if his government was returned, and the response of the voters may indicate the depth of popular discontent.*

(continued)

**FOR THE PRESIDENT ONLY**

*FOR THE PRESIDENT ONLY*

*Pompidou will make measured changes.  
Foreign Minister Schumann and Justice  
Minister Pleven lost their seats in the  
assembly and their cabinet status is in  
doubt. Some Reformists may be brought  
into the government to help dilute the  
influence of hard-core Gaullists who  
oppose domestic reforms.*

*FOR THE PRESIDENT ONLY*

**FOR THE PRESIDENT ONLY**

**VIETNAM**

The South Vietnamese Government and the Viet Cong are preparing for difficult and protracted negotiations in Paris beginning on 19 March. [redacted]

25X1  
25X1

[redacted] President Thieu has told his top negotiator, Nguyen Luu Vien, that he wants the conference to arrange elections as called for in the cease-fire agreement. Thieu believes, however, that the two sides will take decidedly different approaches to elections. The Communists will be seeking to install a new constituent assembly and a new constitution through elections, while the government will attempt to ensure that any voting is held within the framework of the present constitutional system.

*Prospects for a quick resolution of these basic differences are slim.*

Serious problems may also arise concerning the formation of the Council of National Reconciliation and Concord. According to Foreign Affairs Minister Tran Van Lam, the government does not recognize the third segment of the council as a neutralist or independent entity; rather, it believes the council must be composed of an equal number of pro-government and pro-Communist supporters. Lam said that he and the main Viet Cong negotiator at the preliminary talks in Paris had agreed on such a decision, but that Madame Binh was said to have been "very angry" when she heard about it and insisted on the inclusion of independents.

Thieu has ordered the South Vietnamese delegation to approach the talks in a spirit of reconciliation. The Viet Cong are to be treated as "younger brothers" who have lost their way and are now being brought back into the family. The delegation should try to divide the Viet Cong from Hanoi by convincing the Communists' delegation that the conferees are "all South Vietnamese" and can work together without the Northerners.

The Viet Cong evidently plan a similar strategy. According to one of their officials in Paris, they believe that differences between Washington and Saigon can be exploited, and will do their best to encourage frictions that could lead the US to withdraw its aid from Saigon.

(continued)

**FOR THE PRESIDENT ONLY**

*FOR THE PRESIDENT ONLY*

25X1

[redacted] the Viet Cong are somewhat discouraged about prospects for gaining international recognition as a legitimate "government" of Communist-held areas of South Vietnam. Moscow's opposition to Viet Cong representation at the UN no doubt is a major source of such discouragement.

In South Vietnam, the Viet Cong are working to back up their negotiators in Paris. [redacted]

25X1

25X1

[redacted] In some areas, the Communists plan to offer funds and equipment to help new settlers make a living, and in other areas they plan to stress land reform and redevelopment.

25X1

The magnitude and extent of resources the Communists are putting into such efforts are not yet apparent. Over the short run, at least, the Viet Cong are not likely to have the resources to develop a program of sufficient scope to achieve much popular impact.

[redacted] the Communists are trying--with some success--to get people to move into their zones with an eye to future elections.

25X1

*FOR THE PRESIDENT ONLY*

NOTES

25X1

25X1

Italy-USSR: Italian Communist Secretary-General Berlinguer has arrived in Moscow for a discussion of "party-to-party business" with the Soviets. One likely topic is the effort of the Italian party in recent months to promote close consultation and co-ordination among the Communist parties of the European Communities. It is doubtful that the Soviets would welcome a regional grouping of Communist parties, since it would tend to enhance their independence from Moscow. The Soviets probably also look askance at Berlinguer's interest in closer ties with non-Communist parties of the left such as the West German Social Democratic Party. Senior Kremlin ideologist Suslov implied as much in his address to the French Communist Party congress last December.

Japan-Peru: The state-owned Japanese Petroleum Development Corporation has reached preliminary agreement to lend \$330 million for the construction of an oil pipeline to link Peru's Amazon basin fields with the Pacific coast, according to the Peruvian Government. Occidental Petroleum is jointly developing the Amazon oil resources with the government-owned Petroperu, and several other US firms are exploring for oil. The proposed loan is related to the Japanese oil industry's effort to expand and broaden its sources of supply. Tokyo linked its recent loans to Indonesia with a long-term purchase commitment and may want to do likewise in Peru.

*FOR THE PRESIDENT ONLY*

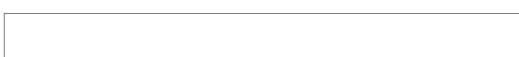
*Top Secret*



## *The President's Daily Brief*

*13 March 1973*

45



~~Top Secret~~<sup>25X1</sup>

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

CENTRAL INTELLIGENCE AGENCY

WASHINGTON, D.C. 20505

TOP SECRET

13 March 1973

[REDACTED] 25X1

TOP SECRET

*FOR THE PRESIDENT ONLY*

**THE PRESIDENT'S DAILY BRIEF**

13 March 1973

**PRINCIPAL DEVELOPMENTS**

The Peronist candidate, Hector Campora, has been declared the winner in the Argentine presidential election, eliminating the need for a runoff. (Page 1)

Developments in the international monetary situation are discussed on Page 2.

Chancellor Brandt has again served notice that he will move vigorously to block leftist attempts to challenge the Social Democratic Party's moderate domestic policies and loyalty to NATO at the party's convention next month. (Page 3)

The NATO allies have agreed to sound out the Soviets on a proposal to leave the question of Hungarian participation in MBFR talks in abeyance for the time being. (Page 4)

In Cambodia, government positions along Route 2 between Phnom Penh and the South Vietnamese border remain under heavy enemy pressure. (Page 4)

The USSR and Czechoslovakia have agreed to release Pakistan from further payments on debts accrued in its former East wing, now Bangladesh. (Page 4)

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

**ARGENTINA**

The Peronist candidate, Hector Campora, has been declared the winner in the presidential election held Sunday, eliminating the need for a runoff. Ricardo Balbin, the Radical candidate who finished a distant second, conceded victory to his opponent last night. President Lanusse then declared Campora the victor, although he noted that Campora had fallen short of a majority, which technically is required for victory in the first round. The heavy Peronist vote also appears to have carried the followers of the former dictator to victory in congressional and provincial elections throughout Argentina. The final makeup of Congress has not yet been determined, however, and some runoffs may be required.

[redacted] President Lanusse expressed disgust with the outcome, but agreed to declare Campora the winner, saying that the people will "get what they asked for." The army reportedly has assured Campora that the military will follow the rules. The Peronists, in turn, promised to accept the army's choice of General Lopez Aufranc as army commander in chief.

25X1

*Despite these early signs of acquiescence by the military, it is a long time before inauguration on 25 May. The many strongly anti-Peronist officers will have time to attempt to prevent Campora from gaining power.*

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

## **INTERNATIONAL MONETARY DEVELOPMENTS**

The dollar generally closed firm in European interbank trading yesterday. According to West German Finance Minister Schmidt, the six EC nations that have agreed to float jointly when official exchange markets reopen will intervene to prevent their currencies from appreciating too much relative to the dollar. Other EC sources indicate, however, that in the event of a massive speculative attack, intervention would be held to a minimum and the exchange rate would be permitted to rise.

Most European reaction to the new arrangement so far has been favorable, but the Italian finance minister is disappointed that no agreement has been reached on pooling European reserves to cope with speculative flows. A report that a fund of more than \$10 billion had been set up for this purpose has proved to be inaccurate. EC sources claim that this proposal, which was presented by the EC Commission, was rejected by the finance ministers as being "too ambitious." The idea of a reserve pool apparently will receive further study, however. The Benelux nations must decide whether or not to follow Bonn in its approximately three-percent revaluation relative to the other partners in the float.

Meanwhile, Japan announced this morning that it will support the joint float of the six EC nations against the dollar.

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

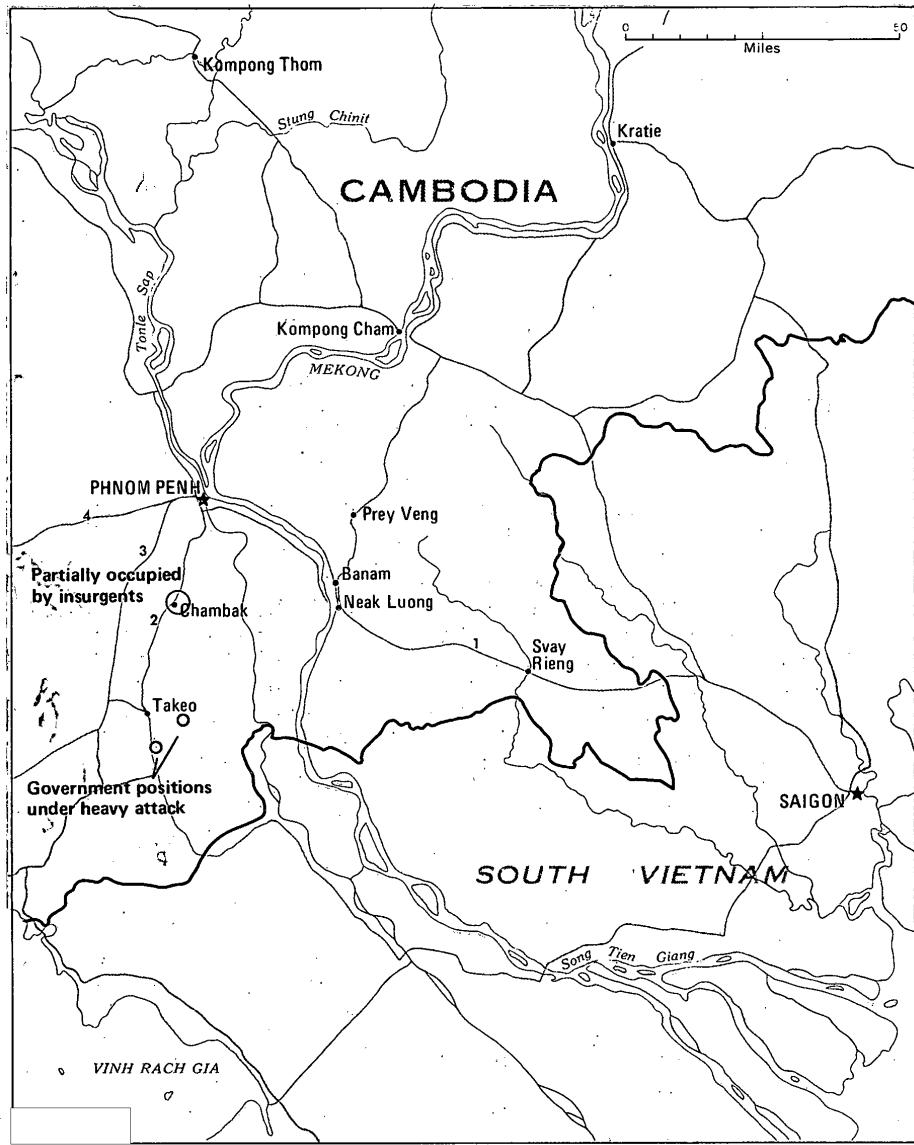
**WEST GERMANY**

Chancellor Brandt has again served notice that he will move vigorously to block leftist attempts to challenge the Social Democratic Party's moderate domestic policies and loyalty to NATO at the party's convention next month. In an interview published last weekend, Brandt warned that "whoever questions" NATO destroys Bonn's detente policies, and he asserted that neither Germany nor Europe can turn away from the US.

Brandt predicted that the party convention will take no decision at odds with the party's successful election program of 1972 or the basic political program it adopted in 1959. He dismissed the idea that the party is in danger of a split, saying that the leftists have nowhere else to go.

Brandt made the same general points to Ambassador Hillenbrand late last week. The ambassador found Brandt in robust physical condition and apparently recovered from what Brandt described as a voice ailment and succession of colds. The Chancellor admitted that after the election last November he had lost his zest for political activity, but that his enthusiasm had now returned.

*FOR THE PRESIDENT ONLY*



554215 3-73 CIA

25X1

**FOR THE PRESIDENT ONLY**

**NOTES**

MBFR: The NATO allies have agreed to sound out the Soviets on a proposal to leave the Hungarian participation question in abeyance for the time being. Moscow has consistently opposed anything short of a definite solution to the problem before talks begin, and is likely to reject the offer. The European allies are determined that the Hungarian question should remain a matter of substantive importance and the effort to agree on a response to the expected Soviet rejection will strain NATO's fragile unity on MBFR preparations.

Cambodia: Government positions along Route 2 between Phnom Penh and the South Vietnamese border remain under heavy enemy pressure. Yesterday insurgent troops occupied the town of Chambak about 25 miles south of the capital. Other government positions south and east of the provincial capital of Takeo are under heavy attack. The government operation to clear Route 2 between Phnom Penh and Chambak has made no progress, and a Khmer Krom brigade has been sent to attempt to reopen the highway. Meanwhile, there has been no progress toward negotiations, because the insurgents believe they hold the upper hand and are not interested in talking.

Pakistan: The USSR and Czechoslovakia have agreed to release Pakistan from further payments on debts accrued in its former East wing, now Bangladesh. Pakistan concluded similar agreements earlier with China and Yugoslavia. Islamabad's debt to these four countries now accounts for less than five percent of its total foreign debt of almost \$4 billion. Pakistan intends to ask the Western consortium, which will meet later this month, for a similar agreement, and for long-term rescheduling of its share of the debt.

(continued)

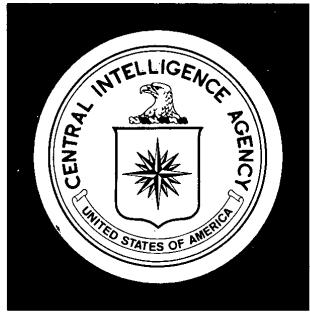
*FOR THE PRESIDENT ONLY*

Peru: President Velasco's condition remains precarious following the amputation of his right leg on Friday. The three armed services chiefs yesterday moved Prime Minister Mercado one step closer to the presidential chair by giving him limited "temporary" executive powers. It still appears that no military element is ready to risk endangering military unity and the government's stability by opposing his succession.

Ethiopia: Crown Prince Asfa Wossen's limited progress in recovering from a brain hemorrhage suffered in January has contributed to a sense of political uneasiness. Factions have begun to form around the Crown Prince and other contenders for the succession, including Asfa Wossen's 20-year-old son, who is next in line. If the Crown Prince ceases to be a credible heir, the 80-year-old Emperor will be under increasing pressures to name a successor, because prolonged uncertainty could encourage plotting and intrigues.

*FOR THE PRESIDENT ONLY*

*Top Secret*



## *The President's Daily Brief*

14 March 1973

45



~~Top Secret~~<sup>25X1</sup>

Exempt from general  
declassification schedule of E.O. 11652  
exempting 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 March 1973

**PRINCIPAL DEVELOPMENTS**



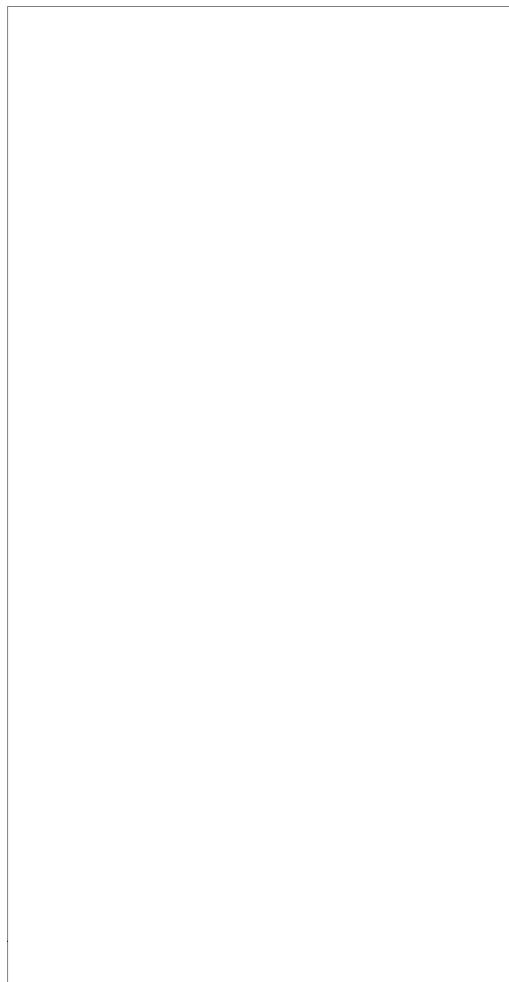
25X1

Buoyed by last week's election results, Chilean President Allende plans to drop military officers from his cabinet because they are no longer necessary. (Page 2)

Argentina's president-elect, Hector Campora, is taking an initially moderate stance and talking about including non-Peronists in his government. (Page 3)

Turkey's parliament will try again today to elect a new president. (Page 4)

*FOR THE PRESIDENT ONLY*



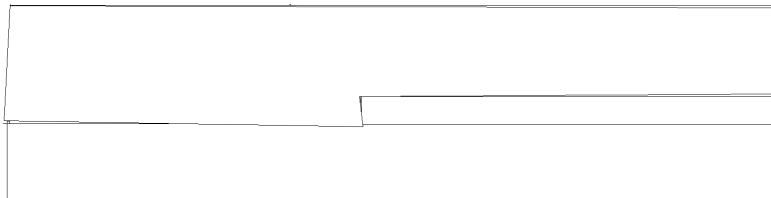
25X1



25X1

*FOR THE PRESIDENT ONLY*

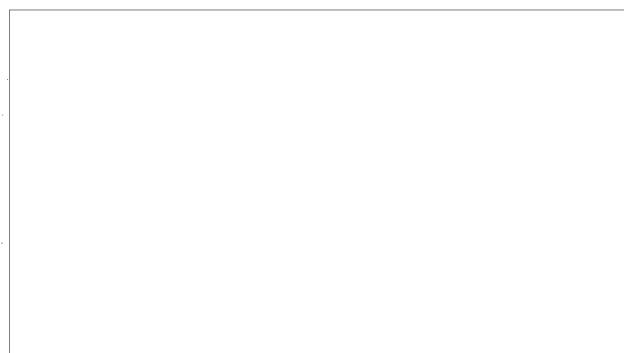
**SYRIA-USSR**



25X1  
25X1

25X1  
25X1

25X1



*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

**CHILE**

Encouraged by the strong showing of his Popular Unity coalition in last week's elections, President Allende plans to retain military officers in his cabinet only until the final returns are officially posted in late May. [ ] he intends to keep officers in lower administrative posts.

25X1

Allende evidently believes that he no longer needs such visible military support. Reducing the officers' political influence would also mollify the radical Socialists, whose strong electoral showing--ahead of the Communists--gives them renewed influence.

Among his other plans, Allende intends to increase government controls over the economy and will start by issuing rationing cards to consumers. He also plans to draft legislation to further the process of socialization.

Allende presumably calculates that these measures will steal some thunder from the extremists. He also assumes that the election-sobered Christian Democrats cannot afford to oppose some further socialization in view of their renewed interest in proselytizing among low-income groups.

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

**ARGENTINA**

President-elect Hector Campora has adopted a moderate approach. Although he claims he has no specific cabinet members in mind, he has announced that his government of "national conciliation" will include political leaders from outside Peronist ranks.

25X1

[redacted] no changes  
in the armed forces hierarchy are planned, and [redacted]  
efforts will be made to keep extremists within  
Peronist ranks in line.

25X1

Campora's government will lean toward increased state control over basic sectors of the economy and toward restrictions on foreign investment. It will also try to orient foreign policy further away from the United States toward greater cooperation with Western Europe. Argentina will strive for leadership within Latin America and will move to renew relations with Cuba.

President Lanusse and the army general staff appear to have accepted the Peronist victory. Lanusse will stay on as president until Campora is inaugurated on 25 May

25X1

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

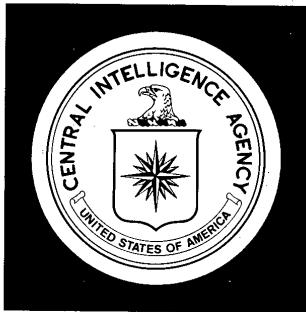
**NOTES**

Turkey: Parliament will resume voting to elect a new president this afternoon. In the four ballots cast yesterday, Faruk Gurler, the candidate of the military high command, lagged far behind the Justice Party's Tekin Ariburun, although in the last vote Gurler was picking up some additional strength. The election is being held in an atmosphere of heavy military preparedness, with the possibility of a move against parliament one of the major considerations.

Laos: Chief Communist negotiator Phoumi Vongvichit claimed in a recent speech that US reconnaissance flights are in direct violation of the Vientiane peace agreement. Phoumi's statement could be the opening shot in a major propaganda campaign, and the Communists could also be preparing to use the issue as another excuse to delay implementation of the Vientiane agreement. Communist news commentators have accused the US of flying reconnaissance and bombing missions in violation of the agreement, but this is the first authoritative statement on recent US air activity.

*FOR THE PRESIDENT ONLY*

*Top Secret*



# *The President's Daily Brief*

*15 March 1973*

45



~~Top Secret~~<sup>25X1</sup>

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

Declassified in Part - Sanitized Copy Approved for Release 2016/07/19 : CIA-RDP79T00936A011500010066-7  
EYES ONLY FOR THE PRESIDENT

25X1

**TOP SECRET**

Declassified in Part - Sanitized Copy Approved for Release 2016/07/19 : CIA-RDP79T00936A011500010066-7

**Page Denied**

*FOR THE PRESIDENT ONLY*

**THE PRESIDENT'S DAILY BRIEF**

15 March 1973

**PRINCIPAL DEVELOPMENTS**

The Soviets are making preparations for a manned space mission. (Page 1)

King Husayn's commutation of the death sentences of 17 Black September terrorists probably will win him the gratitude of other Arab leaders, but it is doubtful that this step will reduce fedayeen animosity toward Jordan. (Page 2)

President Lon Nol has repeated his offer to hold new legislative elections with the participation of all political elements--including the insurgents. (Page 3)

Although the Security Council meeting will not produce strong international support for Panama's position on the canal, General Torrijos believes it will fulfill his purpose of focusing world attention on Panama's demands. (Page 4)

25X1

25X1

The Turkish parliament has postponed further presidential balloting until tomorrow. (Page 5)

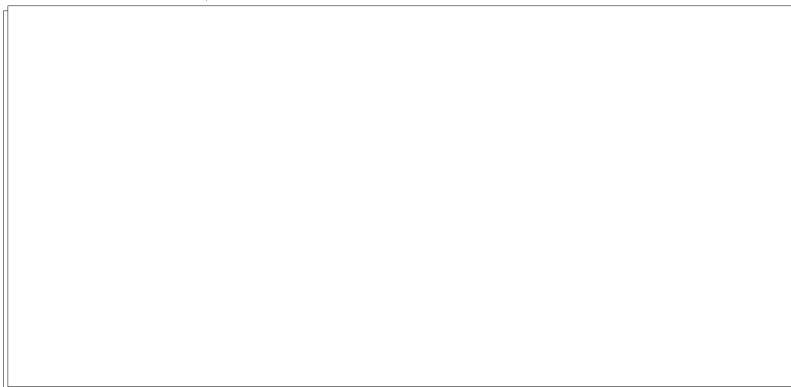
A USSR military delegation is in Peru this week to negotiate sales of Soviet equipment. (Page 5)

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

**USSR**

*The Soviets are making preparations for  
a manned space mission.*



225X1

*The Soviet manned space program has suffered several setbacks during the past two years. Since the Soyuz 11 accident in 1971 that killed three cosmonauts, the only successful mission in this program has been an unmanned Soyuz spacecraft orbited for engineering tests in June 1972. A later attempt to orbit another Salyut space station resulted in failure, and a Soyuz mission scheduled for last fall was canceled. The forthcoming mission could begin within the next several weeks.*

*FOR THE PRESIDENT ONLY*

**FOR THE PRESIDENT ONLY**

**JORDAN-FEDAYEEN**

King Husayn commuted the death sentences yesterday of Black September leader Muhammad Awadh and 16 of his followers. Husayn said he had issued the order in the hope that it would bring about a new understanding between Jordan and the rest of the Arab states as well as the fedayeen.

*The move is almost certain to win King Husayn the gratitude of other Arab leaders, many of whom appealed to him not to execute Awadh. Whether the step will reduce fedayeen animosity toward the King is much more doubtful.*

25X1

*The fedayeen rejected the King's offer out of hand.*

*Husayn's leniency may also make it more difficult for Sudanese President Numayri to deal harshly with the Khartoum terrorists.*

**FOR THE PRESIDENT ONLY**

*FOR THE PRESIDENT ONLY*

**CAMBODIA**

President Lon Nol has repeated his government's offer to hold new legislative elections with the participation of all political elements--including the insurgents. His statement did not include two preconditions mentioned in a similar proposal floated in early February--the prior withdrawal of all Vietnamese Communist troops from Cambodia and the exclusion of Sihanouk from any political role.

Lon Nol's offer appears partially in line with a new initiative, now being considered, aimed at starting peace talks. First Minister Hang Thun Hak told the US Ambassador on 13 March that this would include elections, the free formation of political parties, and the retention of Lon Nol in office. The question of Sihanouk's participation in a new government would be sidestepped, although the re-establishment of the monarchy would be explicitly excluded. Hak wanted US help in contacting Peking and Hanoi to see whether they would act as intermediaries with the insurgents, who so far have shown no interest in compromise with Lon Nol.

*FOR THE PRESIDENT ONLY*

FOR THE PRESIDENT ONLY

PANAMA

The Security Council meeting which opens today will not produce strong international support for Panama's position on the canal. General Torrijos believes, however, that the meeting will fulfill his main purpose of focusing world--and particularly US--attention on Panama's demands.

Since only Peru and Cuba seem enthusiastic about a strong anti-US stance, Panama has considerably toned down its expectations. The Council's president--Panama's Aquilino Boyd--seems resigned to a mildly worded summary of the first two days of general debate.

The last two days are reserved for Latin American topics. A paper apparently prepared by Panama and Peru, which has been circulated to selected delegations, calls for ending the US presence in the Canal Zone, closing all military bases not related to Canal defense, and neutralizing the Panama Canal. It also demands an end to the economic and political isolation of Cuba and an acceleration of "decolonialization" in Latin America in compliance with an earlier General Assembly resolution.

Although this paper may be softened by Torrijos--who seems to realize that involving the United Nations in a bilateral negotiation would be unacceptable to the US--considerable anti-US rhetoric is still bound to develop. Nevertheless, the final outcome is likely to be a bland citation of the "spirit of the charter" as a guide for further bilateral talks.

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

## NOTES

USSR: [redacted]

25X125X1  
25X1

Turkey: Parliament has postponed further presidential balloting until 16 March. The 48-hour delay gives the politicians and generals time to find a way out of the impasse that developed on 13 March when no candidates won the required majority after four ballots. The Turkish press is speculating that party leaders are trying to come up with a new candidate who would be acceptable to both the parliament and the military high command.

USSR-Peru: A Soviet military delegation headed by Deputy Defense Minister Sokolov is in Peru this week to negotiate sales of Soviet equipment. Peru appears to be most interested at present in T-54 tanks. Top-level Peruvian military officers, including General Edgardo Mercado, who is prime minister and acting president, have inspected many other types of Soviet hardware [redacted]

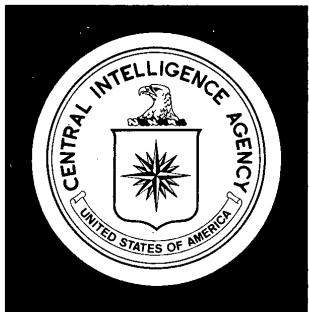
25X1

[redacted] The Peruvians have often vented their displeasure at the US for its one-year suspension of military sales last December and have alleged that other free world suppliers have not matched the credit terms offered by the USSR.

25X1

FOR THE PRESIDENT ONLY

*Top Secret*



## *The President's Daily Brief*

*16 March 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

EYES ONLY FOR THE PRESIDENT

~~TOP SECRET~~

CENTRAL INTELLIGENCE AGENCY

WASHINGTON, D.C. 20505



25X1



25X1

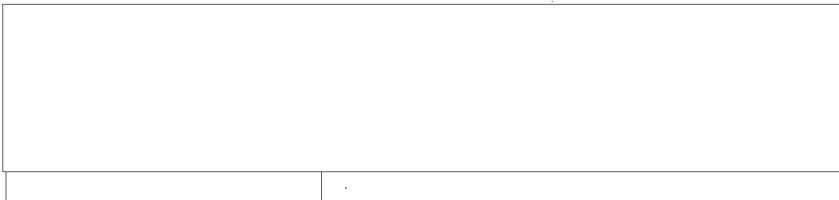


25X1

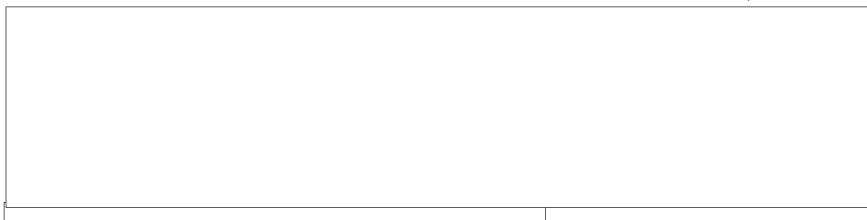


25X1

25X1

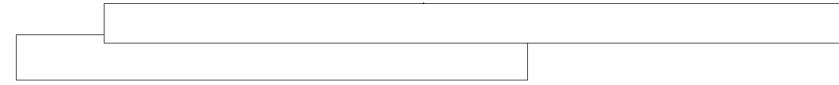


25X1



25X1

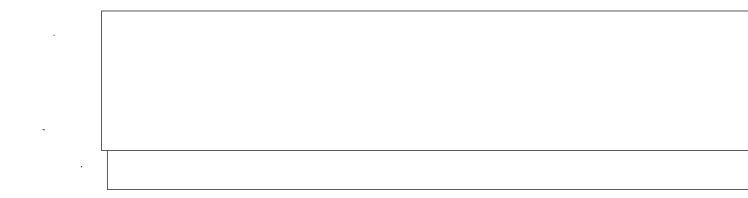
25X1



25X1

25X1

25X1



25X1

25X1

25X1

25X1

25X1

~~TOP SECRET~~

EYES ONLY FOR THE PRESIDENT

EYES ONLY FOR THE PRESIDENT

**TOP SECRET**

25X1

25X1

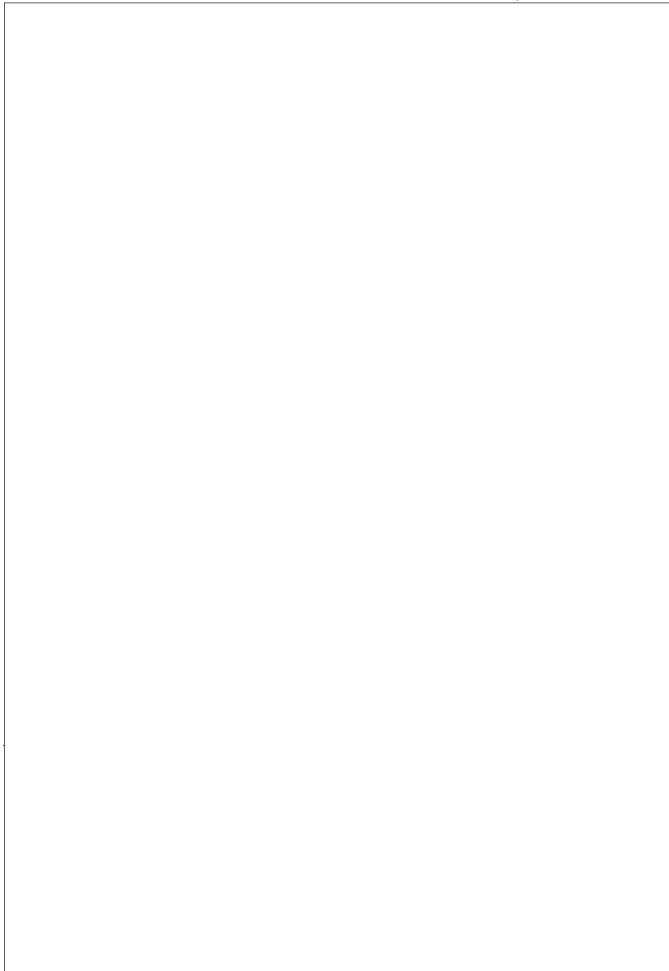
25X1

25X1

25X1

25X1

25X1



**TOP SECRET**

EYES ONLY FOR THE PRESIDENT

**FOR THE PRESIDENT ONLY**

**THE PRESIDENT'S DAILY BRIEF**

16 March 1973

**PRINCIPAL DEVELOPMENTS**

The North Vietnamese are preparing a major logistics effort. The phase of "political struggle" the Communists intend to carry out in South Vietnam is exemplified by the recent experience of the Mekong Delta region. (Page 1)

Chinese forces in northern Laos have been ordered to stop shooting at aircraft. (Page 2)

There has been an improvement in the atmosphere of Japanese-Soviet relations. (Page 3)

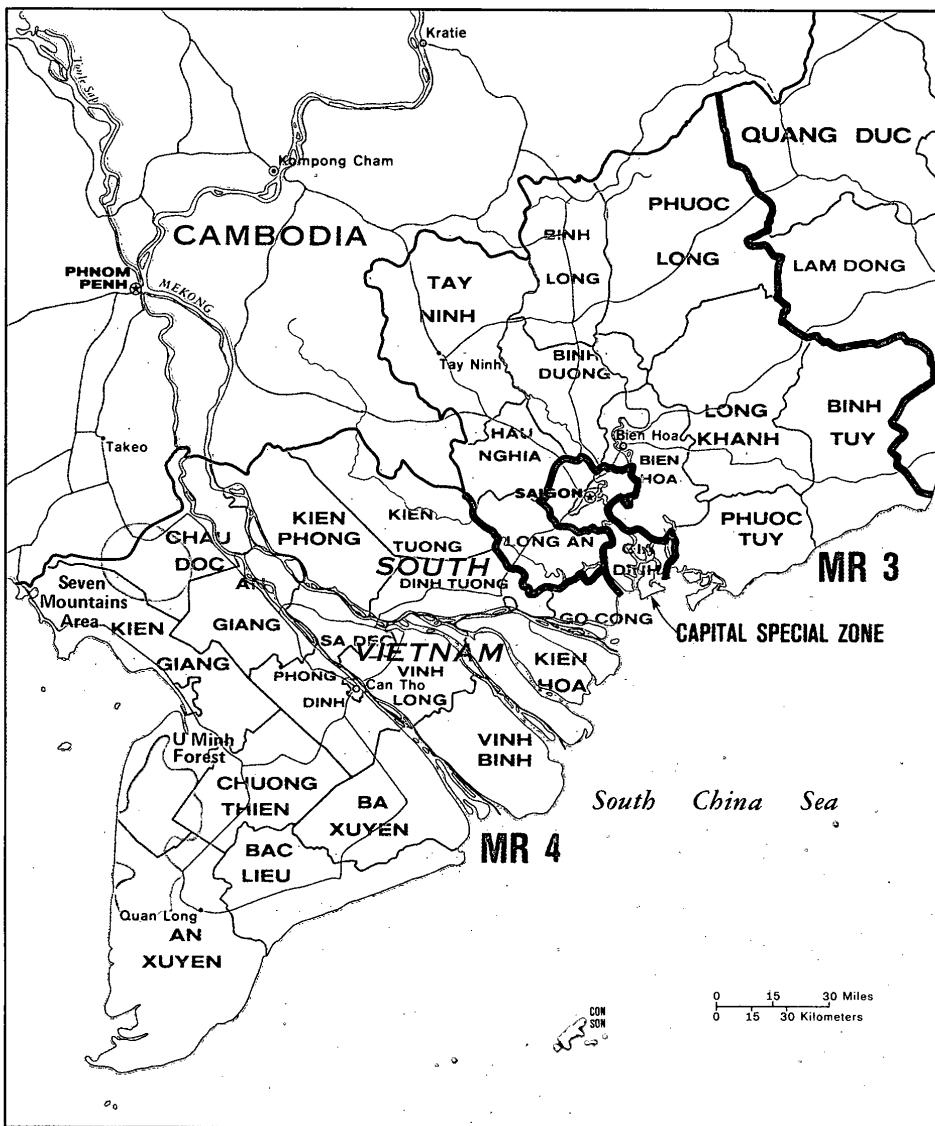
French officials do not like proposed US trade legislation. (Page 4)

King Faysal of Saudi Arabia has suspended aid to the Fatah group of fedayeen. (Page 5)

Chilean military officers may have given President Allende a means to move them out of policy-making posts. (Page 6)

On Cyprus, irredentist forces of General Grivas have begun a campaign of political bombing. (Page 7)

**FOR THE PRESIDENT ONLY**



554225 3-73

**FOR THE PRESIDENT ONLY**

**SOUTH VIETNAM**

Messages intercepted this week indicate that North Vietnamese military transportation units operating in northern South Vietnam and southern Laos are planning a "general transportation offensive" to last from 15 March to 31 May. One logistics unit operating in the same area was directed to initiate a "road and bridge restoration campaign" as part of the preparation for this "large transportation effort."

*Aerial photography of 27 February showed the Communists improving roads and bridges in northern South Vietnam. The work appeared designed ultimately to give the Communists a through route from the Demilitarized Zone into the central highlands and to the coast as well. Such a road inside South Vietnam would run east of the mountains that keep the spring monsoon in Laos and would provide a dry alternate to the Ho Chi Minh Trail, which becomes impassable in the rains.*

\* \* \*

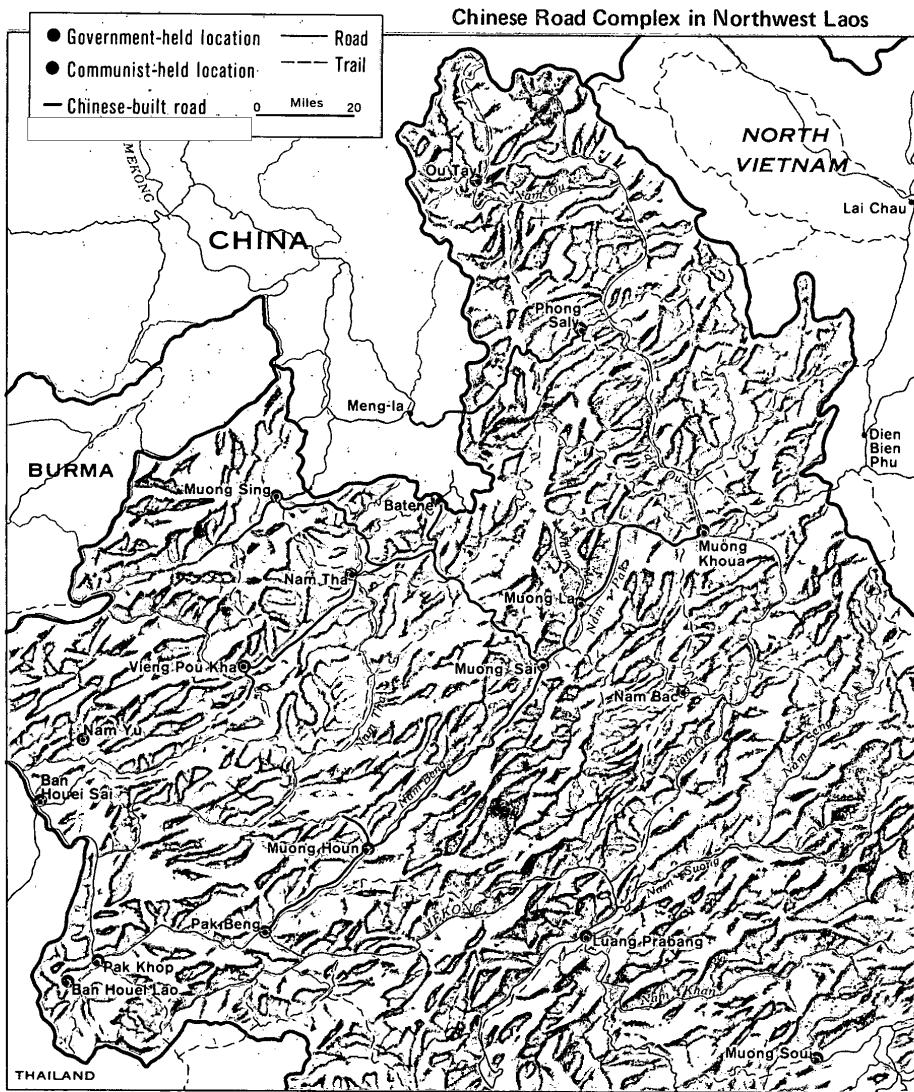
The heavily populated Mekong Delta region has been the scene of unspectacular but persistent fighting since 28 January. The government has improved its position in the northern delta, and the Communists have gained in the south.

In the northern delta, South Vietnamese forces have recovered most of the territory lost at the start of the cease-fire and are now setting up outposts where there has been no recent government presence. There are still sizable Communist forces in the area, but their access to the population has been restricted.

In the southern delta, the Communists have perceptibly increased their influence in Chuong Thien Province. They now have unimpeded access to communications and supply routes, as well as a potential base for operations in the central delta. In Chau Doc Province, the Communists have strengthened their bases in the Seven Mountains area, making easier their access to Cambodia. Bac Lieu and Ba Xuyen provinces are being contested, but there, the government appears to be holding its own.

Throughout the delta, Communist assassinations, abductions, and sabotage have recently increased. Other areas of the country have not yet experienced a comparable upsurge in terrorism, but such actions could soon become more general. Communist directives dealing with the period after the cease-fire have indicated that terrorism is to be a major part of the Viet Cong's "political struggle."

**FOR THE PRESIDENT ONLY**



25X1

554227 3-73 CIA

**FOR THE PRESIDENT ONLY**

**CHINA-LAOS**

Chinese forces have been ordered to refrain from firing on aircraft overflying the road complex they are building in northwest Laos, according to an intercepted message of 9 March. The new order was issued two days after an Air America cargo plane was lost while flying near Pak Beng, the southern terminus of the road network, where the Chinese are equipped with radar-controlled antiaircraft weapons.

*In the past, the Chinese have fired on aircraft flying in the area, and they probably shot down the Air America plane. The new directive indicates a Chinese decision not to let this happen again. They may reason that further incidents would draw attention to China's activities in the northwest at a time when the Lao Government and Communists are working out details of a peace accord. Peking no doubt also is motivated by a desire to avoid unnecessary irritants in relations with the US.*

**FOR THE PRESIDENT ONLY**

*FOR THE PRESIDENT ONLY*

**JAPAN-USSR**

There has been an improvement in the atmosphere of Soviet-Japanese relations, as a result of recent conciliatory gestures by both sides. Tokyo took the first steps. A few weeks ago the Japanese made it clear that they would not try to link the question of Japanese participation in joint economic ventures in Siberia with more intractable political problems. A letter from Prime Minister Tanaka to Brezhnev, delivered by the Japanese ambassador on 6 March, went further in promising Japanese Government backing for the \$1 billion Tyumen oil project. Tanaka's letter avoided any mention of the long-standing territorial issue that has impeded substantial improvement in ties between Tokyo and Moscow.

25X1

The Soviets have seized the opportunity to reiterate their own interest in better relations. [redacted]

25X1

[redacted] Pravda gave unusually heavy play to positive commentary on the Soviet leader's meeting with the Japanese ambassador.

25X1

Nevertheless, serious problems remain in the way of any fundamental improvement in political relations. [redacted]

25X1

[redacted] With respect to bilateral economic dealings, significant progress on joint ventures to exploit Siberian resources must await further exploration and negotiation.

25X1

The gestures of the past few weeks show, however, that Japan sees benefit in a modest improvement in ties with Moscow to balance recent advances in Sino-Japanese relations. For the present, the Soviets are clearly determined to repay smile for smile.

*FOR THE PRESIDENT ONLY*

**FOR THE PRESIDENT ONLY**

**FRANCE**

*Ambassador Malmgren and Deputy Assistant Secretary of Treasury Worthington briefed senior French officials this week on the President's proposed trade legislation. The US Embassy in Paris is now beginning to receive French reactions, which are critical.*

--President Pompidou's financial and economic adviser described the proposed legislation as "brutal" in that it would give the US a distinct advantage when trade negotiations begin. The EC, he said, could not match such powers, and in any case, the power to "increase protection" was not the kind of mandate the Europeans hoped the US side would bring to the talks.

--The Foreign Ministry's director of economic affairs expressed particular uneasiness about the "broad criteria" for safeguarding against imports. He believes such authority would violate GATT rules and wondered whether the US intends to seek changes in these rules.

--These officials believe that the US will benefit from cumulative devaluations of the dollar and from the EC's joint float of its currencies, and they imply that the US should go easy on changing its trade laws until it can be discerned how much benefit is involved. The French have made it plain they do not wish to make trade concessions as a price for US participation in the establishment of a new monetary order.

*The attitudes expressed above are, of course, designed to influence the administration as it drafts the proposed trade legislation. Such attitudes nevertheless reflect the positions France will take during future trade and monetary negotiations. Protection of the franc and of French agriculture is uppermost in the minds of French leaders, who would suffer politically if they failed on either account.*

**FOR THE PRESIDENT ONLY**

**FOR THE PRESIDENT ONLY**

**SAUDI ARABIA - FEDAYEEN**

In a conversation with Ambassador Thatcher on Wednesday, King Faysal reiterated his firm opposition to fedayeen terrorism and added that he had suspended financial aid to the Fatah group. He attempted to exonerate Fatah, however, from responsibility for the murders in Khartoum, attributing the act to "Communist and Zionist" elements in Fatah.

Faysal said he will not reinstate his aid until Fatah rids itself of such elements. He refuses, however, to make the suspension permanent. To do so, he said, would curtail Fatah's "normal activities" against Israel, and would, moreover, throw the fedayeen further into the arms of the "radicals." Denial of his aid would also open Saudi Arabia to attack from the fedayeen.

*Faysal apparently clings to the belief that he can use financial aid to influence the fedayeen toward moderation. His commitment to the Arab struggle against Israel makes him reluctant to admit that his policy may have been a mistake.*

*Saudi support of Fatah runs to several million dollars a year, but even if it were cut off permanently, fedayeen terrorists would not be seriously hampered. The terrorist groups are relatively small and could operate on the basis of the aid they receive from numerous other sources, especially Libya.*

**FOR THE PRESIDENT ONLY**

**CHILE**

Senior military officers, after consulting among themselves, have advised President Allende that they will stay in his government only if he adopts a moderate line in domestic affairs and tries to solve his problems with the US. The message was reluctantly conveyed by General Prats, Chile's interior minister and chief of the army, who was pressed into doing so by his fellow officers.

25X1  
25X1

25X1

*The military may have played into Allende's hands. Now that the elections are over and he no longer needs them to help project an image of stability, Allende sees no reason to retain military officers in the cabinet after Congress convenes in May. For cosmetic purposes, Allende is thinking of appointing additional military men to administrative, rather than policy-making positions, and there is no doubt he could find sympathetic officers willing to serve on such terms. Such a development, however, could intensify political differences within the armed forces, which have remained up to now relatively united in defense of constitutional rule.*

**FOR THE PRESIDENT ONLY**

*FOR THE PRESIDENT ONLY*

**CYPRUS**

On Thursday, General Grivas' forces responded to growing pressure from President Makarios by blowing up police stations and bombing the homes of police officers. Last night, in an apparent counterattack by Makarios supporters, 27 bombs exploded, many at the homes of Grivas' followers.

*Having failed to effect a truce with Grivas, Makarios on 13 March decided to dismiss at least 30 policemen suspected of being Grivas supporters and to add several hundred of his own men to the force. Makarios told Ambassador Popper that he is determined to neutralize Grivas. For his part, Grivas probably will stage more such attacks to demonstrate that he remains a force to be reckoned with.*

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

**NOTES**

Cuba-Panama: Cuba's foreign minister will begin negotiations with Panamanian officials this week on the establishment of diplomatic relations, [redacted]

25X1

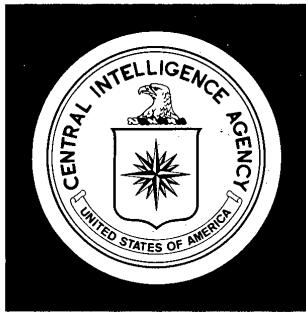
[redacted] Castro apparently believes formal ties will help defeat US-supported sanctions against Cuba in next month's OAS meeting. For the Panamanians, formal ties would merely formalize a growing friendship that already includes cooperation on security, educational, and cultural matters.

25X1

Venezuela: After meeting with President Caldera on 13 March, the secretary-general of the ruling Christian Democrats told newsmen that Caldera's party now favors advancing the date when facilities of foreign oil companies begin to revert to the state. The present date for reversion of these largely US-owned facilities is 1983. Even though the presidential elections are nine months away, party officials are concerned about recent public opinion polls that show their lackluster candidate, Lorenzo Fernandez, trailing the opposition. They expect to profit from exploiting this issue in a nationalistic fashion.

*FOR THE PRESIDENT ONLY*

*Top Secret*



## *The President's Daily Brief*

*17 March 1973*

45

~~Top Secret~~

25X1

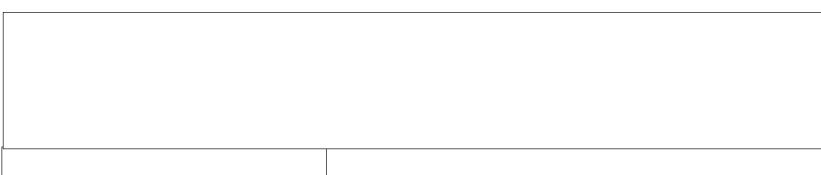
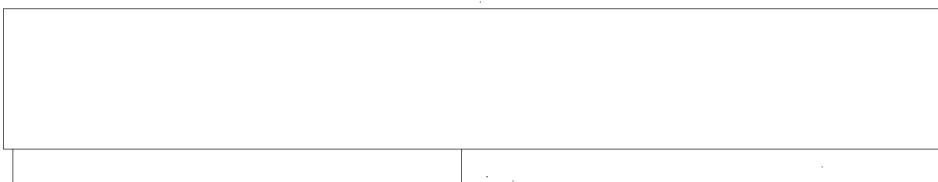
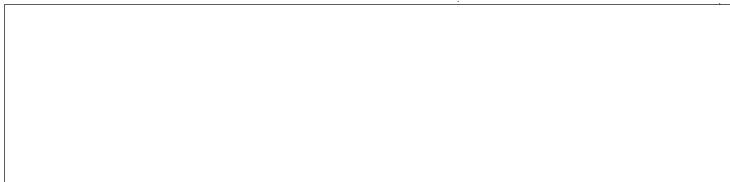
Exempt from general  
declassification schedule of E.O. 11652  
exemption category 5B(1),(2),(3)  
declassified under authority of  
the Director of Central Intelligence

CENTRAL INTELLIGENCE AGENCY

WASHINGTON, D.C. 20505

**TOP SECRET**

17 March 1973



**TOP SECRET**

EYES ONLY FOR THE PRESIDENT

25X1

*FOR THE PRESIDENT ONLY*

LATE ITEM

Cambodia: A T-28 aircraft, piloted by a Cambodian Air Force officer, dropped two bombs within the compound of the Presidential Palace in the early afternoon of 17 March in Phnom Penh. Cambodian officials have told the US Embassy that Lon Nol and his staff were unharmed. According to Western press reports, however, there were several casualties in army barracks and munition storage areas of the compound.

Cambodian officials have moved quickly to scotch speculation that the attack was part of a wider operation planned against the Lon Nol government. They have indicated that the pilot, who had been grounded recently for disciplinary reasons, acted alone.

[redacted] that there are no indications that an attempt to overthrow Lon Nol is under way.

25X1

25X1

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

**THE PRESIDENT'S DAILY BRIEF**

17 March 1973

**PRINCIPAL DEVELOPMENTS**

North Vietnam's intensified dry season transportation campaign is now focusing on moving supplies toward and into South Vietnam. (Page 1)

The Vietnamese Communists seem increasingly pessimistic about prospects for competing politically with Saigon. (Page 2)

In Laos, there has been some forward movement in the talks on implementing the peace agreement. (Page 3)

Sudanese President Numayri seems to be wavering on whether or not to execute the Black September terrorists. (Page 4)

The Turkish Parliament has again failed to elect a president. (Page 4)

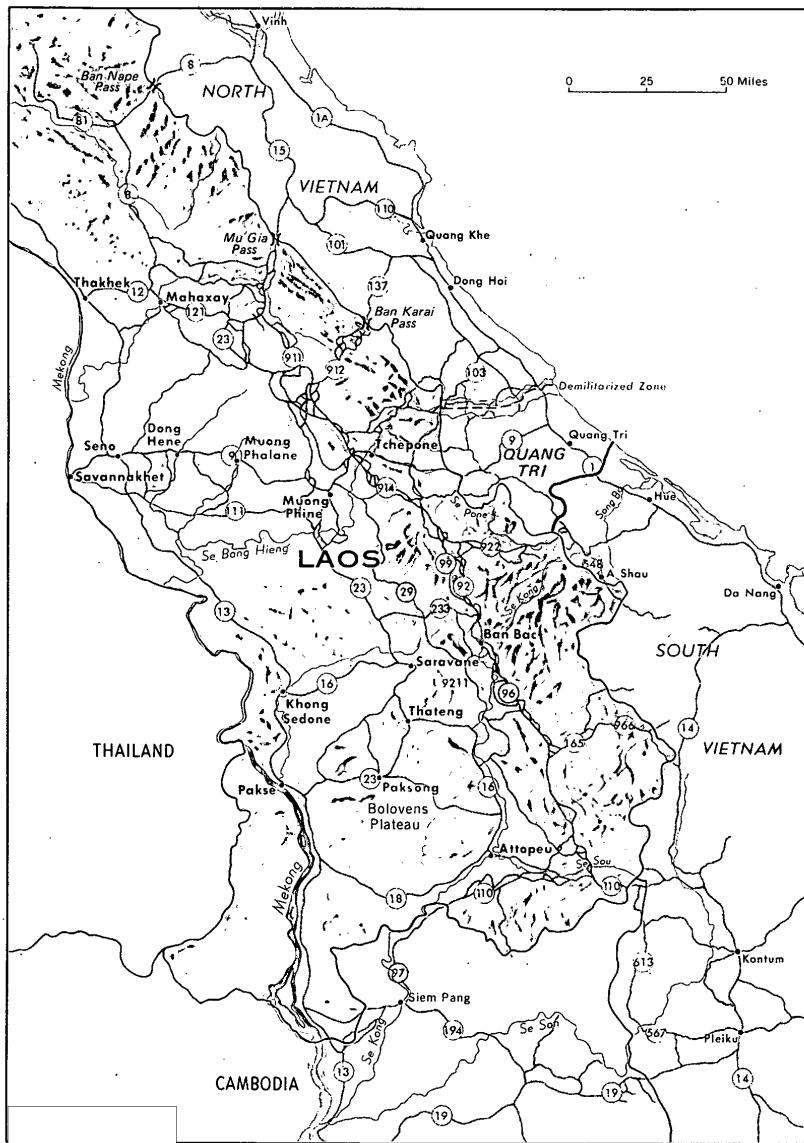
The North Koreans were unusually tough at the most recent round of talks with Seoul. (Page 4)

Peru's President Velasco is recovering from his recent operations more quickly than suits the military. (Page 5)

In the Philippines, intensified fighting between government forces and Muslim dissidents is compounding an already serious refugee problem. (Page 5)

Factionalism within Chile's government coalition has increased since the election. (Page 5)

*FOR THE PRESIDENT ONLY*



25X1

554232 3-73 CIA

*FOR THE PRESIDENT ONLY*

## INDOCHINA

North Vietnam's dry season transportation campaign has entered a new phase, emphasizing movement of supplies toward and into South Vietnam.

intercepted messages revealing Hanoi's plans for a "large transportation effort" in northern South Vietnam and southern Laos this spring. This new drive represents the third phase of the Communists' dry season effort.

25X1  
25X1

From October through January, Hanoi gave priority to moving supplies through the North Vietnam panhandle. By February the emphasis had shifted to corridors leading into Laos. A message intercepted on 12 March, for example, revealed that over 2,300 vehicles moved south through the Ban Karai Pass between 1 February and 9 March, about half of them since 23 February. Vehicle activity west of the DMZ into Laos added to the stocks there.

The level of activity on the main road corridors into southern Laos now appears to be subsiding, as the Communists concentrate on moving supplies closer to South Vietnam.

This pattern is typical of past years, when the locus of Communist supply activity moved progressively south during the dry season.

Recently intercepted communications from north-eastern Quang Tri Province also reflect record levels of vehicle activity, and probably supply flow, across the DMZ. One logistic unit reported on 15 March that it had "handled" 2,450 vehicles between 8 and 14 March. Some 615 of the vehicles moved south and they could have carried more than 2,000 tons of supplies.

*FOR THE PRESIDENT ONLY*

**FOR THE PRESIDENT ONLY**

**SOUTH VIETNAM**

Vietnamese Communists appear to be growing more pessimistic about prospects for competing politically with Saigon. Current reporting suggests that the Communists are giving more serious consideration to the use of military force after US forces have withdrawn than they were a few weeks ago.

At a meeting last month in Tay Ninh Province, for example, Communist officials [redacted] expressed concern over the "desultory" attitude of many political cadre. They noted "little progress" in developing Viet Cong political assets and criticized cadre for not adjusting to the "new situation" and for remaining distant from the masses. The officials concluded that the political struggle would not be completed quickly, and that it would be necessary "at times" to attack with main forces.

25X1  
25X1

**FOR THE PRESIDENT ONLY**

*FOR THE PRESIDENT ONLY*

**LAOS**

A government spokesman told the press in Vientiane yesterday that both sides in the joint political group agreed to form a new government by 23 March as required by the agreement. The joint military group reportedly also made some headway.

*Despite these stirrings, no decisions appear to have been made on basic issues, such as who gets which portfolios. These will require negotiations between Prime Minister Souvanna and senior Lao Communist envoys. Souvanna will also have to negotiate basic issues with leaders of the Lao right wing who will object strongly to any attempt to give major portfolios to the Communists.*

*FOR THE PRESIDENT ONLY*

## FOR THE PRESIDENT ONLY

## NOTES

Sudan: President Numayri seems to be wavering on whether or not to execute the Black September terrorists. Although Sudanese officials continue to insist that he will deal with the group severely, they will not say when the eight men will be brought to trial. Officials close to Numayri are apparently giving him conflicting advice. The Sudanese President himself has said nothing since his initial hard-line speech on the murders. There are some tenuous signs of a softening in his attitude, however, and the longer he vacillates the more likely he is to spare the terrorists' lives.

Turkey: Parliament has again failed to elect a president. Two more inconclusive ballots--the fifth and sixth since the presidential election began on 13 March--were cast yesterday. Voting will resume early next week. Justice Party candidate Tekin Ariburun increased his commanding lead over former general staff chief Faruk Gurler, the military's candidate, in yesterday's voting. Nevertheless, the military may be able to prevent Ariburun from getting the majority needed to win. The search continues for a compromise candidate acceptable to both the politicians and the generals. Serious consideration is apparently also being given to a proposal to amend the constitution in order to extend the term of incumbent President Cevdet Sunay.

Korea: The latest round of North-South talks ended in a stalemate when Pyongyang demanded--and Seoul refused to agree to--a peace treaty and a mutual reduction in arms as prerequisites for progress in negotiations. Although these issues have been part of North Korean propaganda for some time, they have never been central to the negotiations. Their introduction underscores the importance Pyongyang attaches to the withdrawal of US and UN forces from the South and to curbing the expansion and modernization of the South Korean military. The North Koreans are not prepared to see the talks break down. They may be willing, however, to lengthen the interval between sessions and to escalate tensions in an effort to increase pressure on Seoul.

(continued)

25X1

25X1



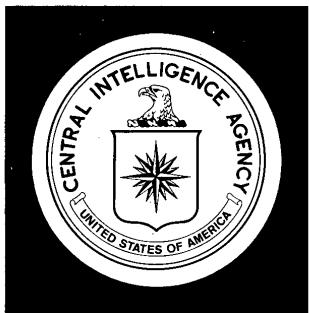
*FOR THE PRESIDENT ONLY*

Peru: President Velasco has recovered enough from his recent operations to sign a decree terminating, as of 31 March, Prime Minister Mercado's mandate for limited executive powers. If his health continues to improve at the present rate, Velasco could soon attempt a temporary return to duty. If he tries to return permanently, military officers, who feel he should retire gracefully because of his health problems, will probably oppose him.

Philippines: Intensified fighting between government forces and Muslim dissidents, particularly in agricultural areas around Cotabato City, is compounding an already sizable refugee problem. Whenever violence occurs in the south, numbers of Muslims flee to Malaysian Borneo while Christians crowd into government-controlled urban areas. The Philippine Government estimates that current fighting has displaced some 300,000 to 500,000 persons throughout the Mindanao-Sulu area. The military also reports that local food stocks are being depleted and that military operations are hampered by refugee-clogged roads. Although the reports, and particularly the figures, are probably exaggerated, the problem is significant and the government will be hard pressed to provide adequate assistance.

Chile: Bitter fighting within the government coalition is overshadowing its good election showing. The basic struggle is between Socialist Party leaders, who are increasingly determined to radicalize the Chilean revolution, and the more cautious Communists, who want to root out this extremism as dangerous to their own interests. President Allende is playing both sides, although he leans toward the Communist course as the safer one. He hopes to displace the radicals in the Socialist Party leadership with men of his own persuasion. Competition is now focused on factionalism in a coalition mini-party which was nearly extinguished in the elections. Its respective factions are manipulated by Communists and Socialists who are using this arena to force all government supporters to take a stand on the problem.

*Top Secret*



## *The President's Daily Brief*

19 March 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**

19 March 1973

**PRINCIPAL DEVELOPMENTS**

A supplement to an earlier COSVN directive on Communist tactics in the cease-fire period indicates that there is to be heavier military action in South Vietnam after 28 March when all US prisoners will have been released. *(Page 1)*

25X1

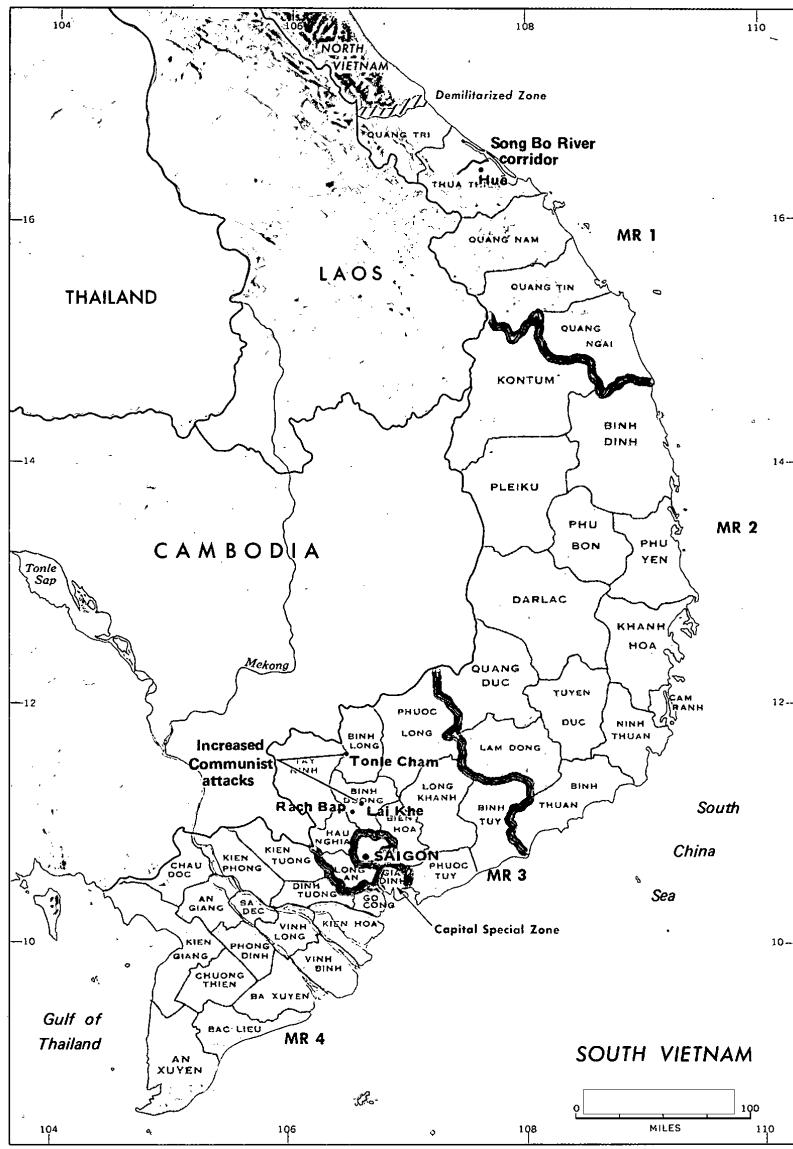
*(Page 3)*

In Laos, Prime Minister Souvanna Phouma has reportedly requested a meeting with Lao Communist leader Souphanouvong or his personal envoy to work out arrangements for forming a new government. The Pathet Lao have repeated their accusation that "US-Vientiane aircraft" have violated the peace agreement by conducting "reconnaissance and bombing" missions. *(Page 4)*

Phnom Penh is calm following the bombing of the presidential palace and brief student disorders on Saturday. *(Page 5)*

The nine EC members have agreed to withhold recognition from Hanoi for the time being because of reports of North Vietnamese cease-fire violations. *(Page 6)*

**FOR THE PRESIDENT ONLY**



25X1

554235 3-73 CIA

**FOR THE PRESIDENT ONLY**

**SOUTH VIETNAM**

COSVN has issued a supplement to an earlier directive on Communist tactics in the cease-fire period [redacted]. The supplement states that:

25X1

--after 28 March when all US prisoners will have been released, "temporary deadlocks" may develop in the negotiations, and Saigon's forces may "encroach on our areas";

--equipment and troops from North Vietnam will enable the Communists to "stop" their opponents and "maintain the limits of the cease-fire agreement";

--South Vietnamese operations will give the Communists "many good opportunities to initiate an offensive to tilt the balance of strength and move civilians into our areas";

--this next "offensive" will be aimed at capturing hamlets and villages rather than larger areas, and, whenever they can do so, the Communists intend to make it appear that they acted defensively.

The supplement emphasizes that the earlier directive, which proclaimed a new era of political struggle, remains in effect. The latest directive indicates that military operations are still secondary, but it is clearly saying that they are an important part of the struggle and that there is to be heavier military action once the prisoner exchange is completed.

\* \* \*

Communist troops launched strong attacks during the weekend against a government outpost at Rach Bap and a base camp at Lai Khe in Binh Duong Province, but these attacks have now eased. Farther north, the Communists are applying heavy military pressure against a Ranger camp at Tonle Cham in Tay Ninh Province. The Rangers still control

**FOR THE PRESIDENT ONLY**

*FOR THE PRESIDENT ONLY*

the camp, but they have been unable to get supplies or to evacuate their wounded because of heavy Communist ground fire. Communist delegates on the Four Power Joint Military Commission so far have prevented any investigation of the fighting by the Commission, according to the US Embassy.

Northwest of Hue, Communist units increased their ground and artillery attacks along the Song Bo River corridor. South Vietnamese control of this area has hindered Communist infiltration and resupply from their mountain bases.

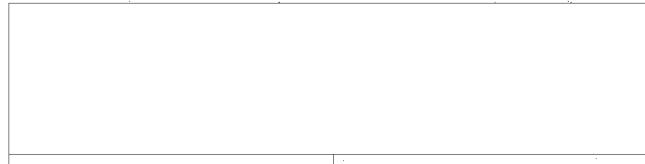
*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

LAOS-CHINA



25X1



25X1



25X1

25X1

*FOR THE PRESIDENT ONLY*



25X1

**FOR THE PRESIDENT ONLY**

LAOS

Prime Minister Souvanna Phouma [redacted] 25X1  
[redacted] Lao Communist leader Souphanouvong 25X1  
asking that he [redacted] 25X1  
[redacted] meet directly with Souvanna as soon as pos- 25X1  
sible to work out arrangements for forming a new  
government.

Talks on political arrangements have remained deadlocked, but the two sides have agreed to exchange draft protocols covering such military matters as prisoner exchange and the withdrawal of foreign troops.

Preliminary agreement may be reached on some arrangements. The Communists probably will withhold acceptance of a military protocol, however, until political issues are resolved.

\* \* \*

In an official statement broadcast on 17 March, the Pathet Lao claimed that "US-Vientiane aircraft" have conducted numerous "reconnaissance and bombing" missions in violation of the peace agreement. The statement warned that the US and Vientiane would have to bear "full responsibility for all consequences" if cease-fire "violations" did not cease. This is the second official reaction in ten days to US reconnaissance overflights.

\* \* \*

Fighting continued in the south on 17 March as Communist ground attacks forced government units to pull back from positions near Paksong and Saravane. In the central panhandle, [redacted] 25X1 skirmishing near Thakhek and Dong Hene. Lao Air Force T-28s flew bombing missions in both the central and southern regions.

**FOR THE PRESIDENT ONLY**

*FOR THE PRESIDENT ONLY*

**CAMBODIA**

Phnom Penh is calm following the bombing of the presidential palace and brief student disorders on Saturday. The state of emergency declared by President Lon Nol on 17 March remains in effect, as does a dusk-to-dawn curfew. The city's security forces are on maximum alert.

There is confusion over the identity and motives of the Cambodian Air Force officer responsible for the bombing of the presidential palace. He was recently expelled from flight training for disciplinary reasons, but there is no evidence linking him and the insurgents. The government claims the pilot is the husband of one of Sihanouk's daughters, although the US Embassy cannot confirm this. Several relatives of Sihanouk have been arrested and a number of other members of the royal family have been removed from their military positions.

The attack on the palace was preceded by violence that broke out during a mass meeting of students and teachers. The meeting had been called to decide whether to continue protesting the government's economic policies. Following a scuffle between students and soldiers, several grenades exploded, killing at least two students and injuring many others. Reaction to both the bombing and the student deaths so far has been mild.

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

**NOTE**

Western Europe - North Vietnam: The nine EC members have agreed to withhold recognition from Hanoi for the time being because of reports of North Vietnamese cease-fire violations. The delay in some instances, at least, is likely to be a brief one. A Dutch official has said The Hague will postpone an announcement for only a few days. Italy, and perhaps Belgium, may also grant early recognition. The UK and West Germany are less eager to move.

*FOR THE PRESIDENT ONLY*

*Top Secret*



## *The President's Daily Brief*

*20 March 1973*

45



~~Top Secret~~ 25X1

Exempt from general  
decryption under the E.O. 11652  
exemption category 14(e)(2)(B)  
declassified only on request of  
the Director of Central Intelligence

*FOR THE PRESIDENT ONLY*

LATE ITEM

Iraq-Kuwait: Early this morning Iraqi forces stationed in disputed territory near Umm Qasr opened fire on a recently established Kuwaiti border post nearby. A general mobilization of Kuwaiti armed forces has been ordered. Tanks and armored cars are deployed along a line six miles south of the Iraqi frontier. The Kuwaiti Air Force has orders to shoot down any intruding Iraqi aircraft. The Kuwait National Assembly met in emergency session today and gave the government carte blanche to defend Kuwaiti "lives, territory, and interests." Ambassador Stoltzfus does not believe there will be a serious military escalation or that there is any danger at the moment to US citizens in Kuwait.

*FOR THE PRESIDENT ONLY*

**FOR THE PRESIDENT ONLY**

**THE PRESIDENT'S DAILY BRIEF**

20 March 1973

**PRINCIPAL DEVELOPMENTS**

The dollar was strong in world markets yesterday and continued so in Tokyo this morning. (Page 1)

Soviet grain traders are shopping in Australia and Canada. (Page 2)

25X1



25X1

Lon Non appears to be taking advantage of the state of emergency in Cambodia to settle political scores. (Page 4)

Soviet media have given upbeat treatment to Secretary Schultz' recent visit to Moscow. (Page 5)

**FOR THE PRESIDENT ONLY**

**FOR THE PRESIDENT ONLY**

## INTERNATIONAL MONETARY DEVELOPMENTS

The dollar was generally strong in foreign currency exchanges yesterday in the first day of official trading since 2 March. The Bank of Japan sold some \$50 million to keep the dollar's value from rising too fast. The yen closed yesterday at about a 16.3-percent appreciation from its old rate and continued gradually to appreciate today. The Bundesbank--the only other bank to intervene--sold more than \$8 million worth of Belgian francs and a much smaller amount of Swedish kroner to maintain the new European currency band.

*The bank's intervention reflects the surprisingly weak early showing of the mark relative to other European currencies. Some traders fear that Bonn may have sacrificed too much by its latest revaluation.*

*The generally light activity yesterday indicates that most traders are taking a wait-and-see attitude. Those traders who speculated in marks and other strong currencies may hold off repurchasing dollars until they get a clearer picture of payments and psychological trends. Our preliminary analysis of balance-of-payments prospects in Japan and Western Europe indicates such traders are wise, for it appears that pressures will build for further appreciations of the mark and yen and a depreciation of sterling.*

The Swiss banking community reportedly is skeptical about prospects for the joint float and is against Swiss participation. Bankers not only fear that Switzerland would have to support the weaker European currencies, but also argue that Switzerland should not diminish its neutrality or independence.

*A national referendum approved Swiss association with the EC in December, but only with the proviso that the links would not go beyond those of a free trade zone.*

**FOR THE PRESIDENT ONLY**

*FOR THE PRESIDENT ONLY*

**USSR**

Soviet grain traders are shopping in Australia and Canada for grain to be delivered in the fiscal year beginning in July 1973. The Australians are receptive because they expect a large crop. Canada is reported to have sold some wheat in February for delivery in the next fiscal year to the USSR. So far, the Soviets apparently have made no firm overtures to US grain companies.

*After last year's experiences, US traders are wary of Soviet purchasing practices and are reluctant to sign fixed-price contracts again. It appears that the Soviets can still get such contracts in other countries, and with the price of US hard red winter wheat almost double that which the USSR paid last year, they will try to fill part of their requirement elsewhere. It is likely, however, that the Soviets will come back to the US for purchases of feed grains, on which prices have not risen spectacularly.*

*FOR THE PRESIDENT ONLY*

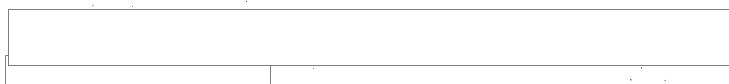
*FOR THE PRESIDENT ONLY*



25X1



25X1



25X1



25X1



25X1  
25X1



25X1  
25X1



25X1



25X1



25X1

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

CAMBODIA

Acting under the state of emergency declared on Saturday, the government has further tightened security measures, which now include a ban on all public meetings. There are unconfirmed reports that some newspaper editors and teacher and student leaders have been arrested.

25X1

President Lon Nol appears to be relying on his younger brother, Brigadier General Lon Non, to enforce the emergency measures. Lon Non [redacted]

[redacted] the government had been too lenient toward opposition elements and that it was time to rule with an "iron hand."

25X1

At the same time, Lon Non indicated that he intended to exploit the present situation to further his own political ends. He alleged that his long-time political rival, Republican Party chief Sirik Matak, has been behind recent antigovernment agitation by students and teachers. Although Lon Non said it was impossible to arrest Matak because of his close friendship with Lon Nol, he apparently does intend to arrest some of Matak's supporters.

Matak himself appears increasingly pessimistic over his political future. Just before the recent disturbances, [redacted] he had not heard directly from Lon Nol on the subject of his becoming vice-president for some time. Matak was doubtful about rejoining the government at this juncture when--in his opinion--political, military, and economic conditions are worse than at any time since Sihanouk's ouster.

25X1

*FOR THE PRESIDENT ONLY*



25X1

*FOR THE PRESIDENT ONLY*

**NOTES**

USSR-US: Soviet media have given upbeat treatment to Secretary Shultz' recent visit to Moscow. Pravda and Izvestia highlighted its significance, quoting optimistic Western press reports concerning prospects for economic cooperation. Prominent play was also given to Shultz' remarks that his meeting with Brezhnev took place in a "spirit of mutual understanding and goodwill" and "bore a businesslike and constructive character." Not surprisingly, the Soviet press has avoided mentioning the Jewish emigration issue in connection with the visit.

25X1



North Korea - Scandinavia: Sweden, Denmark, and Finland are expected to recognize North Korea at the end of March, giving Pyongyang its long-sought diplomatic presence in Western Europe. Norway and Iceland may soon follow suit. This will provide additional impetus to the "two Koreas" concept, which Pyongyang has pushed and which Seoul seems finally prepared to accept. Sweden's action may raise questions about its remaining on the UN supervisory commission or, as the South Koreans fear, even call the continuation of the commission itself into doubt.

*FOR THE PRESIDENT ONLY*

*Top Secret*



## *The President's Daily Brief*

*21 March 1973*

45



*Top Secret*

25X1

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

25X1

*FOR THE PRESIDENT ONLY*

**LATE ITEM**

Libya-US: Early this morning two Libyan Air Force Mirage fighters fired on a US C-130 military transport aircraft performing a reconnaissance mission over the Mediterranean.

25X1

The C-130 has returned safely to its base in Greece.

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

**THE PRESIDENT'S DAILY BRIEF**

21 March 1973

**PRINCIPAL DEVELOPMENTS**

There is continuing disagreement within the West German Government on whether German forces should be included in the first phase of mutual force reductions. (Page 1)

Sharp fighting continues in certain areas of South Vietnam. (Page 2)

25X1

Egypt  Libya (Page 3) 25X1

The USSR is letting Jews emigrate without paying the education tax. (Page 4) 25X1

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

**WEST GERMANY - MBFR**

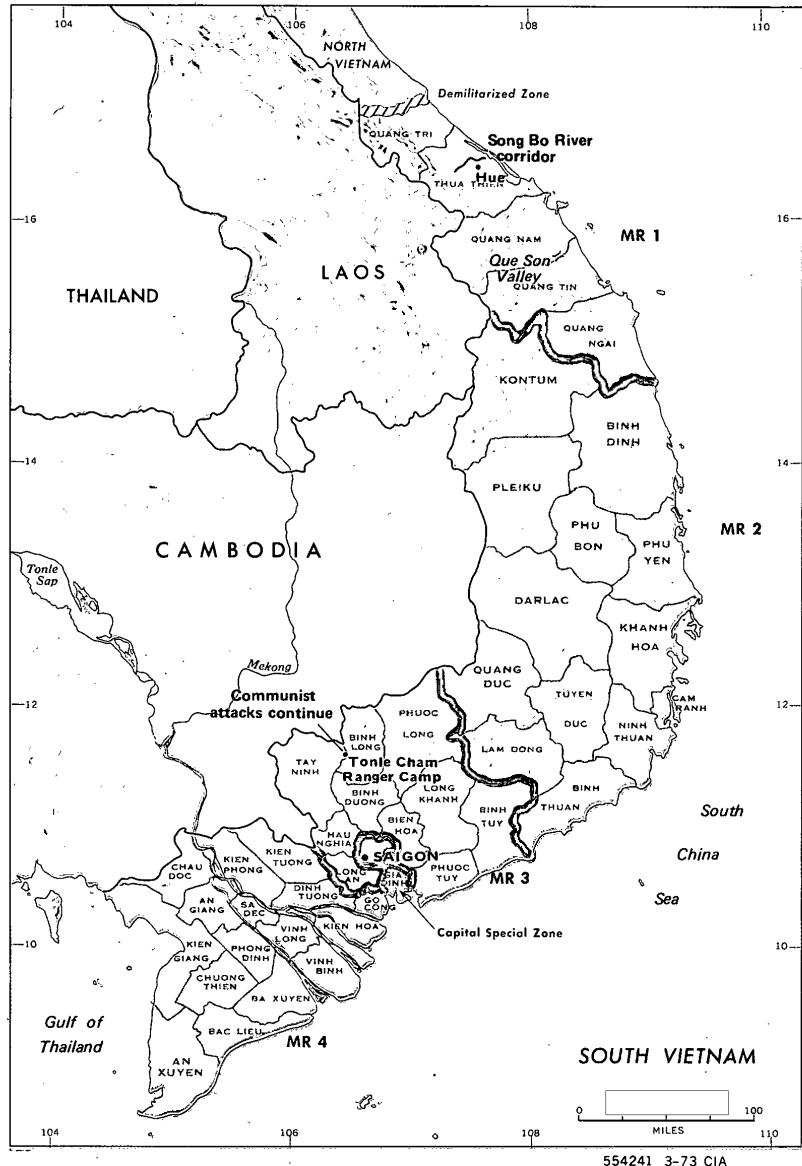
There is continuing disagreement within the West German Government on whether German forces should be included in the initial phase of mutual force reductions. In a recent talk with the US ambassador, Defense Minister Leber expressed strong opposition to any plan to limit reductions to foreign forces stationed in central Europe. Leber contended that this kind of agreement would generate inexorable pressure in the FRG for a unilateral cut-back in West German forces.

Bonn's Disarmament Commissioner Roth and other Foreign Office officials continue to advocate that initial troop reductions involve only "stationed" forces. They also stress, however, that an agreement providing for mutual constraints on reinforcement, movement, and exercises, concluded before one on reductions, would buttress their case. Roth arrives today in Washington, and will seek US support for the Foreign Office position.

The formal NATO position is that reductions of both stationed and indigenous forces should be carried out in an integrated program, but that reductions of stationed forces would be considered first.

\* \* \*

The MBFR talks in Vienna remain at square one. Continuing disagreement on the question of Hungarian participation has blocked plenary meetings. The first and only one was held on 31 January.



25X1

554241 3-73 CIA

*FOR THE PRESIDENT ONLY*

**SOUTH VIETNAM**

The Communists continue to direct heavy artillery and mortar fire against the Tonle Cham Ranger Camp northwest of Saigon. The attacks reportedly have destroyed the camp's ammunition supply, and heavy antiaircraft fire has prevented aerial resupply for the past two weeks. The Communists reportedly have dug trenches to within 1,000 meters of the camp's perimeter. The Communist delegates on the Four Power Joint Military Commission have refused to allow the ICCS truce teams to make an on-site investigation.

*The Tonle Cham Camp is the government's northernmost listening post on the Saigon River infiltration corridor. The Communists may hope that continuing pressure will force the government to abandon the position, thereby facilitating their supply and troop movements closer to Saigon.*

In the northern provinces, there is sharp fighting west of Hue along the Song Bo River supply corridor and around several government fire support bases. Moderate fighting is reported in the Que Son Valley. Prisoners claim that the Communists have reinforced their units in this area with armor.

\* \* \*

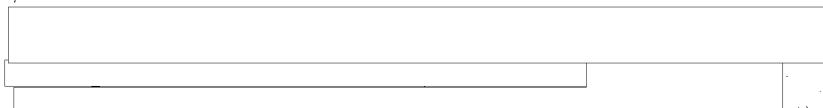
Saigon released today a formal indictment of Communist violations of the Paris agreement. A Foreign Ministry statement charged that barely a month after the Paris accords the North Vietnamese had sent south 50,000 troops, 300 tanks, and hundreds of artillery pieces, and that most of these troops and weapons have already reached South Vietnam. The statement added that Saigon "reserves the right to appropriate reaction" to defend South Vietnamese territory.

*FOR THE PRESIDENT ONLY*

25X1

*FOR THE PRESIDENT ONLY*

**LIBYA-EGYPT**



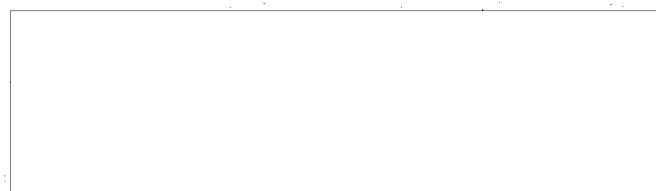
25X1



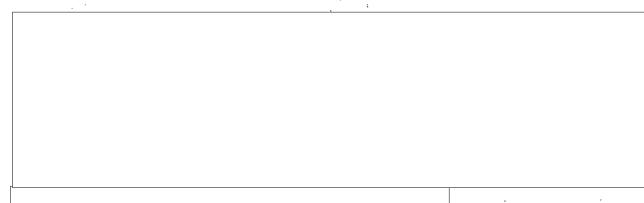
25X1

25X1

25X1



25X1

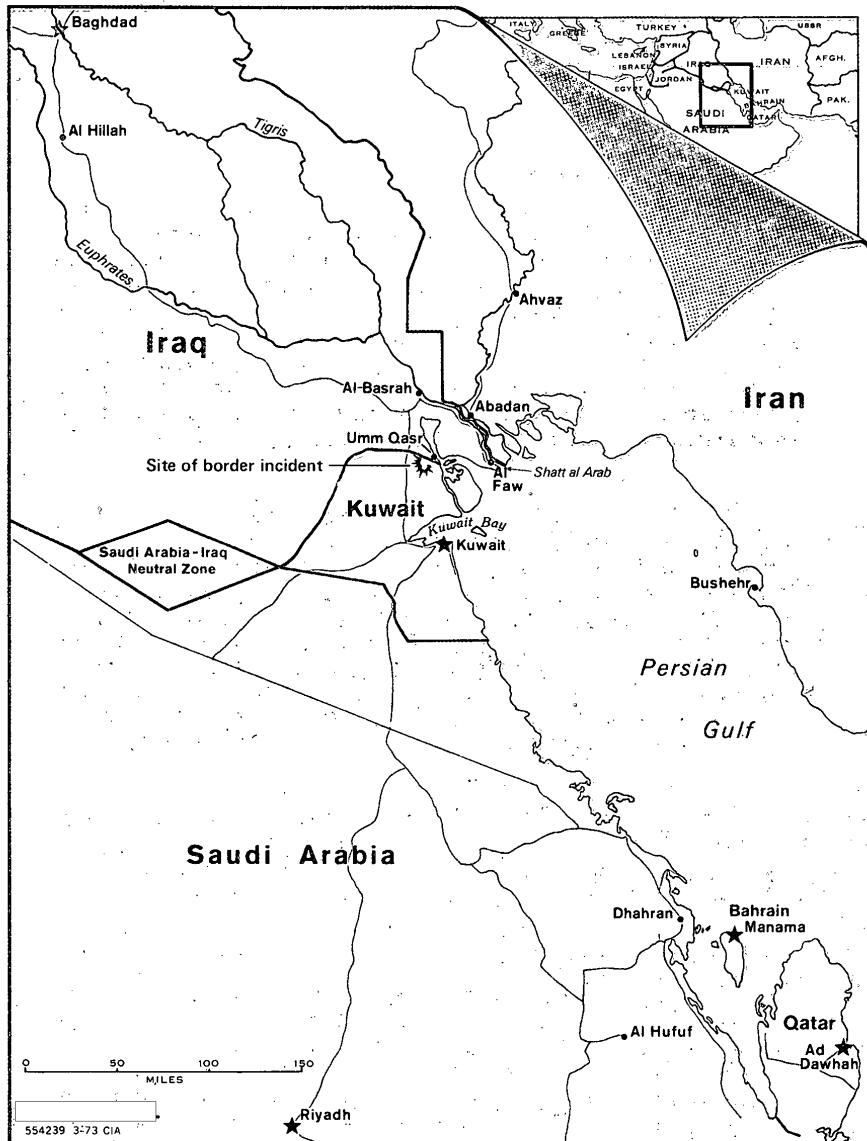


25X1



25X1

*FOR THE PRESIDENT ONLY*



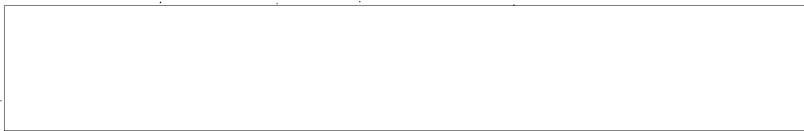
25X1

*FOR THE PRESIDENT ONLY*

**NOTES**

USSR-US: The US Embassy in Moscow has been informed by the Dutch that a large number of Jews from the Moscow area, perhaps as many as 150, are being permitted to emigrate to Israel without having to pay the education tax. Individuals in this group had received prior permission to leave the USSR, but could not do so because they could not pay the education tax. This represents a sharp turn in Soviet policy and is probably responsive to statements of US concern made by Secretary Shultz in Moscow last week.

25X1



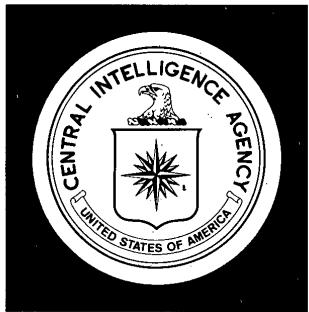
Iraq-Kuwait: Yesterday's Iraqi attack against a Kuwaiti police post apparently was provoked by Kuwait's recent reinforcement of the post, which is located in disputed territory and overlooks an Iraqi battery protecting the Umm Qasr naval base. Kuwait, with an army less than one-tenth the size of Iraq's, is in no position to retaliate. Baghdad seems unlikely to carry its action further in view of its more serious border dispute with Iran and continuing difficulties with its Kurdish minority.

Greece: Student unrest continues. Yesterday police stormed the Athens Law School when students took over the school--  
authorities had denied them permission to hold an assembly. In view of Prime Minister Papadopoulos' warning earlier this month that protesters would be treated harshly and that martial law might be reimposed throughout the country, the issue is assuming mounting importance as a test of the government's resolve.

25X1

*FOR THE PRESIDENT ONLY*

*Top Secret*



## *The President's Daily Brief*

22 March 1973

45



~~Top Secret~~ 25X1

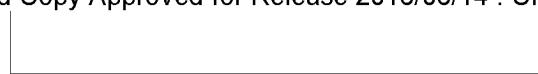
Exempt from general  
declassification schedule of E.O. 11652  
exemption category 5B(1),(2),(3)  
declassified only on approval of  
the Director of Central Intelligence

Declassified in Part - Sanitized Copy Approved for Release 2016/06/14 : CIA-RDP79T00936A011500010072-0

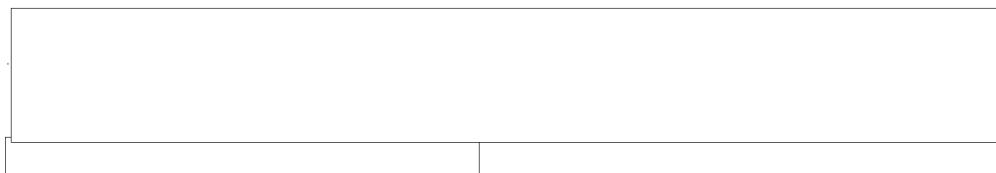
25X1

Declassified in Part - Sanitized Copy Approved for Release 2016/06/14 : CIA-RDP79T00936A011500010072-0

25X1



\* \* \*



25X1

**TOP SECRET**

25X1

**FOR THE PRESIDENT ONLY**

**THE PRESIDENT'S DAILY BRIEF**

22 March 1973

**PRINCIPAL DEVELOPMENTS**

Brezhnev will visit Bonn in May--the first such trip by a top Soviet official. (Page 1)

In Vietnam, 17 small infiltration groups, mostly composed of civilian administrators, have been noted entering the pipeline in the past two days--the first since March 4. (Page 2)

Cambodian Government moves against prominent opposition leaders are adding to mounting tensions in Phnom Penh. (Page 3)

Sadat is reported to have fired Prime Minister Sidqi and charged his adviser Hafiz Ismail with forming a new cabinet. (Page 4)

Sudanese President Numayri is increasingly suspicious that Qadhafi planned the Black September operation in Khartoum. (Page 5)

25X1

25X1

**FOR THE PRESIDENT ONLY**

**FOR THE PRESIDENT ONLY**

**USSR - WEST GERMANY**

Brezhnev will visit West Germany in May, according to Bonn's Foreign Office, in the first such trip by a top Soviet official. Moscow has underscored the importance of the occasion by indicating that he will not stop in East Berlin or any other European capitals.

The West Germans plan to treat the occasion as a full state visit and expect it to last some five days. It will include side trips to other West German cities. The precise dates must still be ironed out.

*Brezhnev and Brandt appear to have established a good rapport when they met in the Crimea in 1971. Their coming discussions will range over Europe-wide topics such as the CSCE, MBFR, and the future course of Brandt's Ostpolitik as well as more immediate bilateral issues.*

*Continuing differences over how to refer to the status of Berlin are bound to arise in connection with any agreements on cultural and scientific-technical exchanges or economic cooperation. The Germans hope that, by raising this subject at the highest level, they can persuade the Soviets to go further in acknowledging links between West Berlin and West Germany.*

**FOR THE PRESIDENT ONLY**

**FOR THE PRESIDENT ONLY**

**SOUTH VIETNAM**

Seventeen small infiltration groups, whose total strength is probably less than 500, have been noted entering the pipeline at Vinh in North Vietnam in the past two days. The infiltrators in these groups are primarily civilian administrators.

Over 2,000 military and civilian administrators have now been identified entering the system since the cease-fire. This amounts to at least a fifth of the infiltrators of all categories who are estimated to have started south in this period--an unprecedentedly high proportion. Prisoner reports suggest that some of them may be South Vietnamese who are returning after several years of training in the North.

This is the first time since March 4 that southbound groups have been noted in messages from this area.

**FOR THE PRESIDENT ONLY**

FOR THE PRESIDENT ONLY

CAMBODIA

A government spokesman today tried to dispel reports that Republican Party head Sirik Matak is under house arrest, but in effect confirmed that he is being held incommunicado. [redacted]  
President Lon Nol is thinking of sending him out of the country.

25X1

[redacted] Lon Nol told a key Republican official on Tuesday that he and other party leaders would be arrested unless they "purified" themselves by resigning. The President added that it was inappropriate to belong to a party headed by a "prince"--Matak.

25X1

*The move against Matak probably stems from recent rumors associating him with royalist plotting against the government.  
Matak's long-time foe, Brigadier General Lon Non, is the most likely source of such allegations.*

[redacted] the government has arrested former Democratic Party chief In Tam, although the government spokesman states that no special security measures have been taken in his regard. In Tam finished a respectable second in the presidential election last summer, and has strongly advocated reconciliation with the Khmer insurgents.

25X1

*Important figures in the government will be increasingly apprehensive about their own positions. This will be especially true of General Fernandez, the army chief of staff. Fernandez ranks high on Lon Non's list of political enemies.*

FOR THE PRESIDENT ONLY

**FOR THE PRESIDENT ONLY**

**EGYPT**

Hafiz Ismail, presidential adviser, is forming a new cabinet following the resignation of Prime Minister Sidqi on March 15 [redacted].  
[redacted] Sidqi is reported to have resigned at President Sadat's request. The government reorganization may be announced early next week.

25X1  
25X1

Sadat may believe that removal of Sidqi--who is disliked by many Egyptians--will help heal some of the divisions troubling the government. Sadat's decision may also have been influenced by fear that his own position was threatened by the ambitious prime minister.

Hafiz Ismail is a trusted lieutenant of Sadat and a logical choice for prime minister. His appointment would seem to confirm Sadat's continued interest in political efforts to resolve the dispute with Israel.

The new government, however, may be presented to the country as a "war cabinet" in order to underscore Sadat's commitment to regain the occupied territory.

**FOR THE PRESIDENT ONLY**

*FOR THE PRESIDENT ONLY*

**SUDAN**

[redacted] President Numayri has received numerous messages on behalf of the eight Black September terrorists from most Arab governments, including Egypt. The conspicuous absence of such a message from Libya has fed Numayri's suspicion that Qadhafi planned the Khartoum operation.

25X1

In an interview last week, Numayri referred repeatedly to "another Arab state" as "one of Black September's planners and financiers" which was responsible for selecting Khartoum as the site for the capture and murder of diplomats. Several Sudanese suspected of Libyan sympathies have been arrested.

Meanwhile, earlier this week Sudan and the fedayeen agreed to halt their propaganda war. For public consumption, the Sudanese accepted the Palestinian Liberation Organization's denial of complicity in the murders and Yasir Arafat's promise to investigate the affair.

25X1

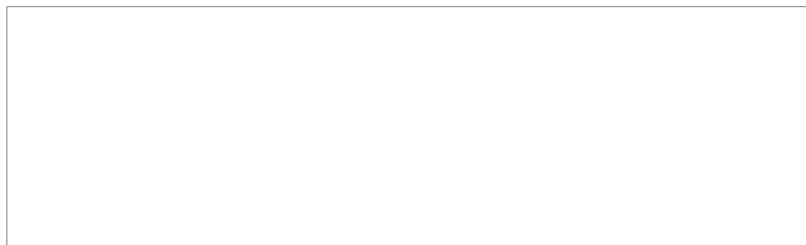
*Whether Numayri has agreed not to execute the terrorists remains unclear. [redacted]*  
*[redacted] their trial will not begin until late April, after Numayri returns from visits to Eastern and Western Europe.*

25X1

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

**LIBYA**



25X1



25X1  
25X1

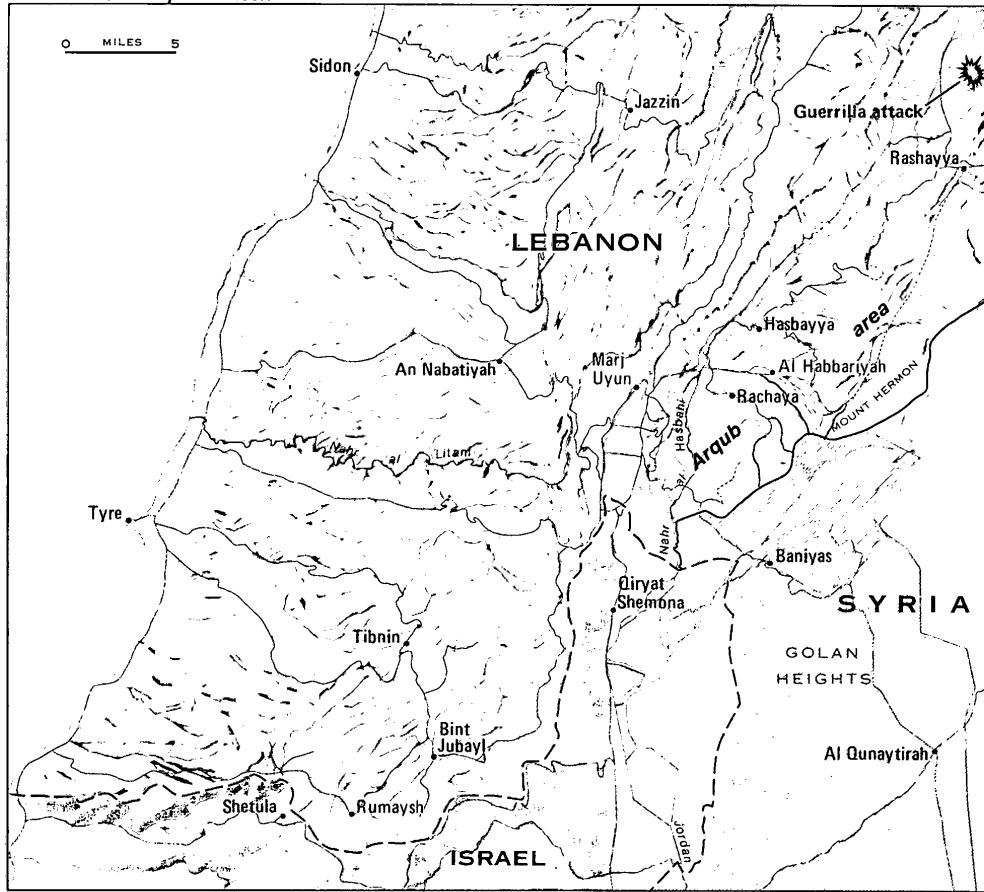
25X1



25X1

*FOR THE PRESIDENT ONLY*

Lebanon/Fedayeen Clash



554249 3-73

*FOR THE PRESIDENT ONLY*

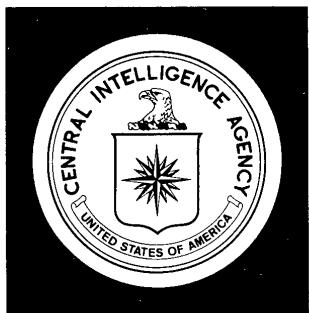
NOTES

Lebanon-Fedayeen: A fedayeen attack on a government checkpoint in the southeast yesterday resulted in two Lebanese deaths. The incident confirms reports of some recent guerrilla reinfestation, which may have indicated preparations for a raid into Israel in retaliation for Israel's strikes against fedayeen bases in northern Lebanon last month. Recently intensified army patrols could have triggered yesterday's clash.

Uruguay: Key generals, displeased with President Bordaberry's failure to implement the military's plans to deal with the deteriorating economy, apparently have decided that the President must resign. They have not yet agreed on a successor, who in any event will carry out the military's directives. The removal of Bordaberry would strip away the last facade of civilian authority in the Uruguayan Government.

*FOR THE PRESIDENT ONLY*

*Top Secret*



# *The President's Daily Brief*

23 March 1973

45

~~Top Secret~~ 25X1

Exempt from general  
declassification schedule of E.O. 14176  
exemption category 5(b)(1)(2)(3)  
determined by an agency head or  
the Director of Central Intelligence

Declassified in Part - Sanitized Copy Approved for Release 2016/06/14 : CIA-RDP79T00936A011500010073-9

25X1

Declassified in Part - Sanitized Copy Approved for Release 2016/06/14 : CIA-RDP79T00936A011500010073-9

*FOR THE PRESIDENT ONLY*

**THE PRESIDENT'S DAILY BRIEF**

23 March 1973

**PRINCIPAL DEVELOPMENTS**

The Communists are adding to their air defense capability in South Vietnam. (Page 1)

In Laos, the two sides have postponed formation of a new coalition government beyond the deadline set by last month's peace agreement. (Page 2)

The Cambodian Government's crackdown raises disturbing questions about Phnom Penh's already fragile political stability. (Page 3)

A Soviet Foreign Ministry official has acknowledged that the USSR will no longer enforce its education tax on emigrants, and that the Soviet move is in response to pressures from the US Congress. (Page 4)

The Security Council meeting did not achieve the reaction from the US or within Panama that General Torrijos had expected. (Page 5)

In Turkey, the proposed constitutional amendment to extend the term of incumbent President Sunay failed to secure the required two-thirds majority. (Page 6)

Two Adeni MIG-17s yesterday attacked a Saudi Arabian post located about 20 miles north of the border. (Page 6)

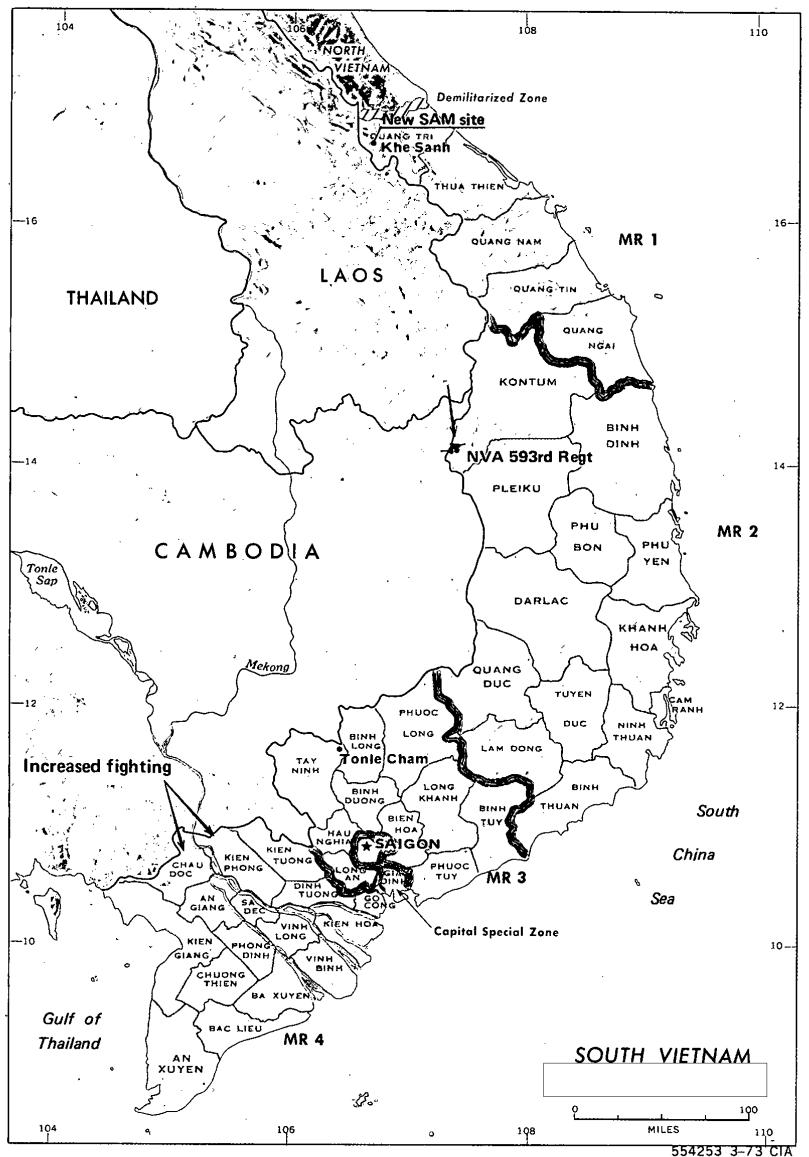
25X1

India [redacted]

25X1

(Page 6)

*FOR THE PRESIDENT ONLY*



25X1

**FOR THE PRESIDENT ONLY**

**SOUTH VIETNAM**

*The Communists are adding to their air defense capability in the south.*



25X1



25X1

25X1

In Quang Tri Province, [redacted] photography [redacted] further substantiates the presence of a new, occupied SA-2 site southeast of Khe Sanh. At least two launchers, complete with SA-2 missiles along with radar, electronic, and other support equipment are visible.

25X1

25X1

*The Communist unit occupying the site is probably one of the three SAM battalions that formerly manned nearby sites which are now unoccupied.*

\* \* \*

In ground fighting, Communist pressure against the ranger camp at Tonle Cham has eased. North Vietnamese shellings have fallen off, and no major new infantry action has been reported since the attacks of March 20. There has been some increase in the fighting in the western delta provinces, most of it resulting from efforts of several North Vietnamese units to move across the border into South Vietnam. Government sources in the delta believe the Communists are determined to control key sectors along the border in order to expand their infiltration routes into the lower delta.

**FOR THE PRESIDENT ONLY**

**FOR THE PRESIDENT ONLY**

**LAOS**

The two sides have postponed formation of a new coalition government beyond the deadline of March 23 set by last month's peace agreement.

*The absence of chief Pathet Lao negotiator Phoumi Vongvichit has been the major obstacle to progress.*

Other senior Communist negotiators left Vientiane yesterday for strategy sessions at their headquarters near Sam Neua, and those remaining behind are not empowered to discuss composition of a new government.

*Despite the lapsed deadline, the agreement signed last month remains in effect and there is no sign that either side is preparing to resume combat.*

*One effect of the delay is to set back the timetable for withdrawal of foreign troops and release of prisoners. Under terms of the Lao peace agreement, both are to be completed within 60 days of formation of a new coalition government. The Pathet Lao position is that the release of US prisoners will be governed by the Lao accords.*

**FOR THE PRESIDENT ONLY**

**CAMBODIA**

Republican Party chief Sirik Matak apparently is still confined to his home in Phnom Penh although the number of troops guarding him has been substantially reduced.

There are no signs yet that the regime's crack-down has generated any sharp reaction in the military although some army officers are genuinely concerned about the over-all situation in Cambodia. Army Chief of Staff General Fernandez has privately expressed some doubts about the country's future, but he has been advising his subordinates to relax and await further developments.

*The situation raises disturbing questions about Phnom Penh's already fragile political stability. The succession question, which would have been resolved by Matak's installation as vice-president, is now more than ever a major problem.*

25X1  
25X1

25X1

*With Brigadier General Lon Non's influence over his brother at an all-time high, further moves against other prominent officials on his black list cannot be ruled out.*

**FOR THE PRESIDENT ONLY**

**FOR THE PRESIDENT ONLY**

**USSR-US**

A Soviet Foreign Ministry official acknowledged yesterday that the USSR will no longer enforce its education tax on emigrants, and that the Soviet move is in response to pressures from the US Congress. At about the same time, Western newsmen in Moscow were invited to watch Soviet authorities grant exit permits, and the Soviets even offered film clips of the event to some of the newsmen involved.

*These actions are most likely in response to statements of US concern made by Secretary Shultz in Moscow last week. Moscow seems to be following the formula laid down by Senator Jackson, who has stated that he does not expect the Soviets to rescind their law, but that he will withhold his support of MFN legislation until satisfied that Moscow is not enforcing the education tax.*

*By leaving their tax on the books, however, the Soviets have kept open the possibility of returning to restrictive practices after MFN legislation is passed. The Soviets know that their behavior will be carefully monitored, and for the short term, they will be likely to continue allowing exemptions to the tax.*

**FOR THE PRESIDENT ONLY**

**FOR THE PRESIDENT ONLY**

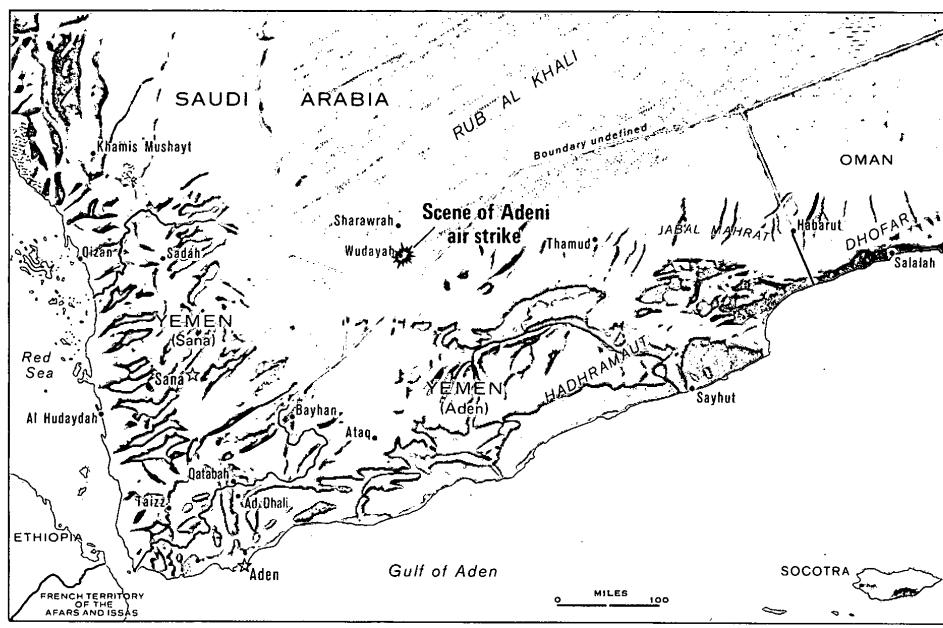
**PANAMA**

The Security Council meeting did not achieve the reaction from the US or within Panama that General Torrijos had expected. Although he is publicly touting the international support that he received, he probably is concerned about how much damage he has done to his relations with Washington.

Over the next few days, Torrijos will move cautiously as he tries to sound out the US and plots his next move. He gave himself some breathing space yesterday when he announced that because the US vetoed the Panamanian resolution he would hold "consultations with the people" before deciding on his next step. This probably means that he will talk with members of the rubber-stamp national legislature, a process which will take time and also give him an opportunity to stir up the public.

Torrijos will continue his strategy of keeping pressure on the US. The government-directed media will resume its attacks on Washington, and anti-US demonstrations, carefully orchestrated by the government, may be in the offing.

**FOR THE PRESIDENT ONLY**



FOR THE PRESIDENT ONLY

NOTES

Turkey: The proposed constitutional amendment to extend the term of incumbent President Cevdet Sunay for two years failed by one vote to secure the required two-thirds majority yesterday. A joint session of parliament has been called for today, but it is not clear what steps will be taken to resolve the impasse that has dragged on now for ten days.

Yemen (Aden) - Saudi Arabia: Two Adeni MIG-17s yesterday attacked a Saudi Arabian post at Wudayah, approximately 20 miles north of the border. Saudi Arabia claims that its antiaircraft fire drove off the planes, but the defenders admit to "some" injuries. A base for Adeni dissidents [redacted] is located just north of Wudayah. These dissidents have been conducting commando raids into Aden's eastern provinces for some months. Saudi Arabia probably will not retaliate for the air attack [redacted]

25X1  
25X1

25X1  
25X1  
25X1

India-USSR: [redacted]

25X1

[redacted]  
25X1

Yugoslavia: Usually compliant trade union leaders in Yugoslavia have formally protested a government wage freeze and other measures that will reduce the workers' standard of living to below last year's level. The government now must decide whether to lift the freeze or to risk massive popular dissatisfaction.

(continued)

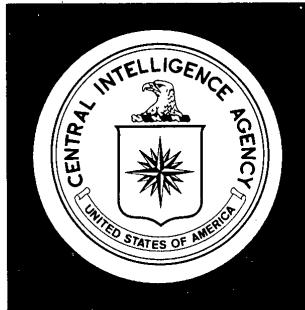
FOR THE PRESIDENT ONLY

*FOR THE PRESIDENT ONLY*

East Germany: East Germany is in debt to the industrial West to the tune of approximately \$900 million. Last year such medium- and long-term debts increased by \$200 million, largely because of political concerns. The regime has put a heavy emphasis on supplying consumer goods to the population in order to ensure political stability as it makes the transition from isolation into the family of nations. At the same time, party chief Honecker enforced a commitment that all export quotas for the Soviets would be met or surpassed. As a result, this year the East Germans are seeking at least \$200 million more in credits from the West, including the US. West Germany and France have given Pankow most of its new credits. Our preliminary estimate indicates that the East German economy is strong enough, and its subsidized trade with West Germany large enough, for Pankow to operate this way for two or three more years before being pinched by repayment problems.

*FOR THE PRESIDENT ONLY*

*Top Secret*



*The President's Daily Brief*

24 March 1973

45

~~Top Secret~~ 25X1

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

25X1

*FOR THE PRESIDENT ONLY*

**THE PRESIDENT'S DAILY BRIEF**

24 March 1973

**PRINCIPAL DEVELOPMENTS**

It appears that the North Vietnamese 308th Division has gone home from South Vietnam. President Thieu plans an amnesty for some political prisoners.  
*(Page 1)*

25X1

Iraq

25X1

*(Page 2)*

25X1

Egypt is "cooling" its relations with the US.  
*(Page 3)*

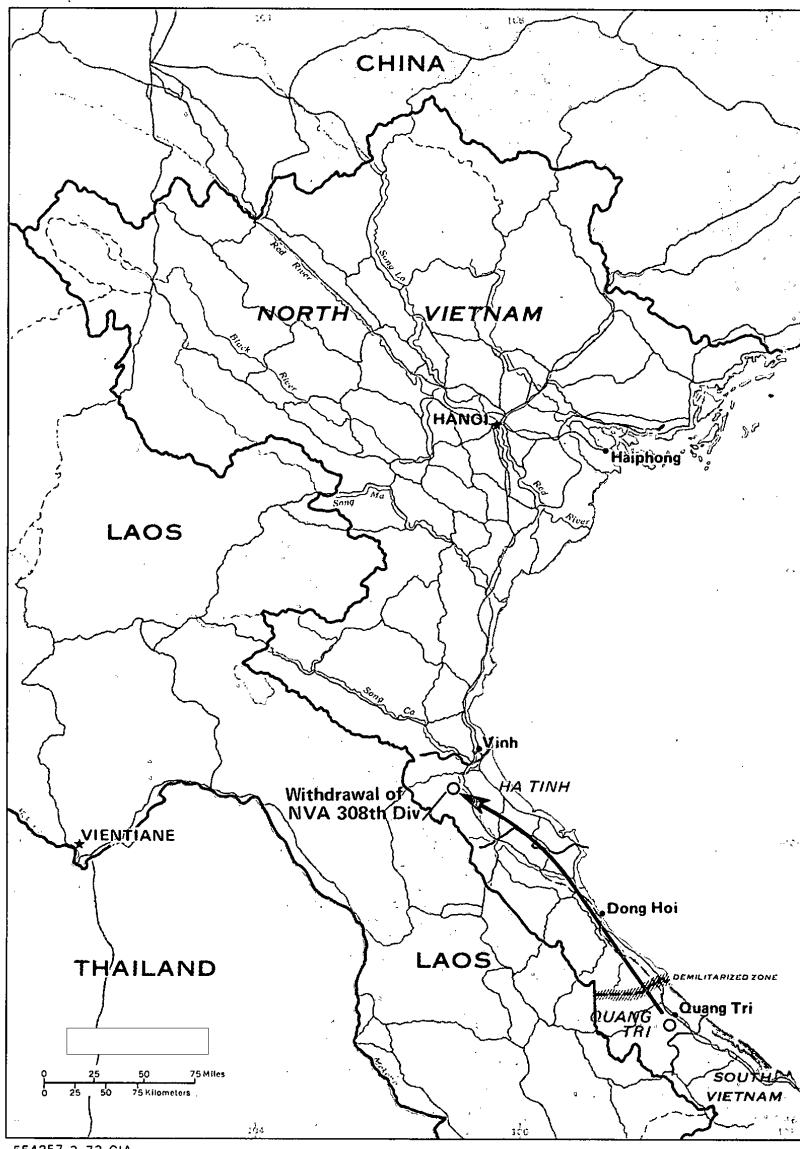
25X1

The EC Commission has taken a step away from the high farm support prices to which the US has long objected. *(Page 4)*

President Allende was not prepared for the sudden resignation of Chile's cabinet, and will have difficulty organizing a new one. *(Page 5)*

Prospects for China's winter grain crops appear favorable. *(Page 6)*

*FOR THE PRESIDENT ONLY*



25X1

**FOR THE PRESIDENT ONLY**

**VIETNAM**

Recently available communications intelligence indicates that the headquarters and parts of three regiments of the North Vietnamese 308th Division have moved from Quang Tri Province into North Vietnam. Intercepts locate these units in Ha Tinh Province, about 150 miles north of the Demilitarized Zone. The division's headquarters has been in Ha Tinh since January.

*The 308th is the first regular army division known to have returned to North Vietnam since the Communist spring offensive a year ago. There are still elements of four North Vietnamese divisions in Quang Tri.*

\* \* \*

About 300 political prisoners will be amnestied next Monday,

25X1  
25X1

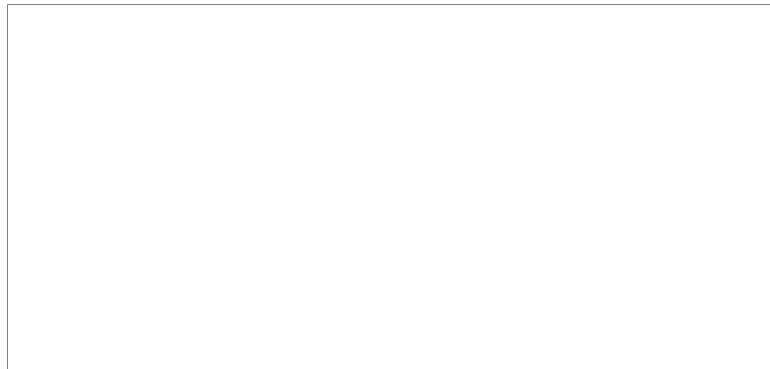
Nearly half of those to be freed were chosen from a list submitted by a leader of the An Quang Buddhists.

Thieu would like to improve relations with the An Quang Buddhists. The amnesty would follow his attendance earlier this month at the funeral of an An Quang leader--a gesture which was well-received. Nevertheless, the An Quang sect has a number of serious grievances against the government, and their suspicions of Thieu will not be significantly lessened by his act of clemency alone.

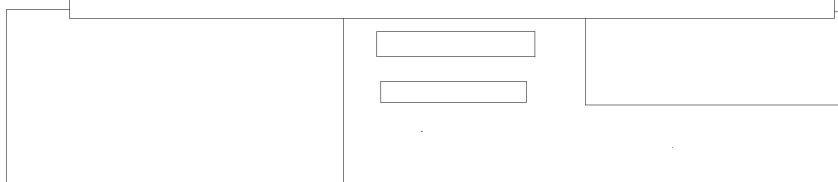
Former presidential candidate Truong Dinh Dzu and former Lower House deputy Tran Ngoc Chau are also among those to be released next week.

Neither has a political base in South Vietnam, but their cases have been widely and sympathetically publicized in the Western press. Thieu is reported to have said that Chau will have a choice of going to North Vietnam or staying in the South under restrictions.

The amnesties on Monday probably are intended to detract attention from the Communist campaign for the release of all civilian detainees. The release of such a small number of civilians will not deter the Communists, who are demanding freedom for tens of thousands of political prisoners.



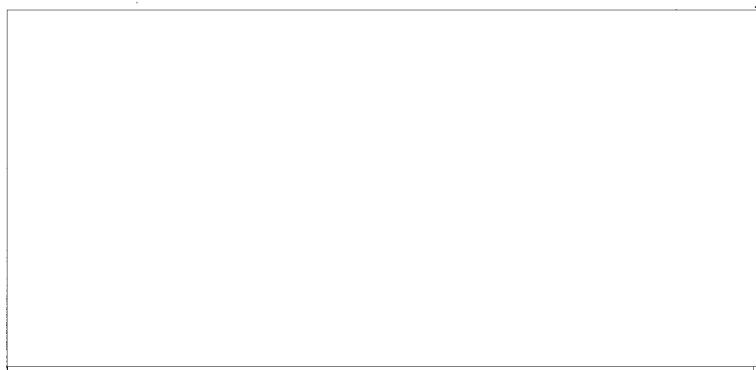
25X1



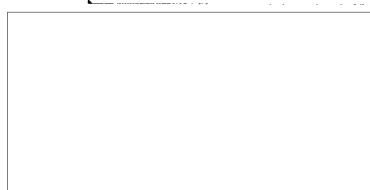
25X1

25X1

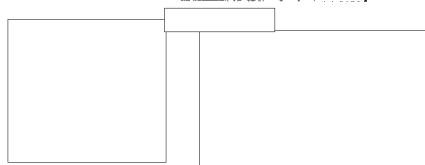
25X1



25X1



25X1



25X1

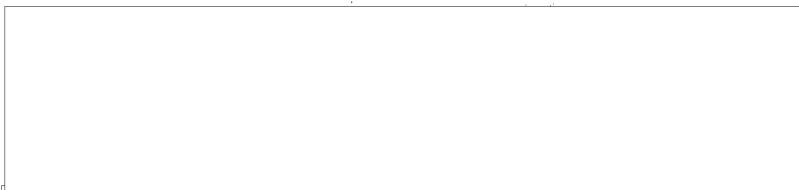
25X1



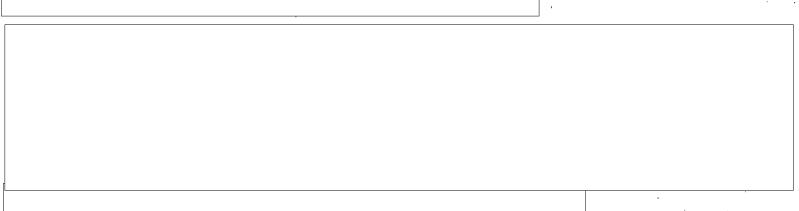
25X1

*FOR THE PRESIDENT ONLY*

**USSR-IRAQ**



25X1



25X1

25X1



25X1



25X1

25X1



25X1

25X1

25X1

*FOR THE PRESIDENT ONLY*

**FOR THE PRESIDENT ONLY**

**EGYPT**

Presidential adviser Hafiz Ismail yesterday angrily rejected US Interests Chief Greene's contention that Arab governments should not support Palestinian terrorists. Among other things, Ismail said:

--Egypt will not bow to the US "ultimatum" and turn away from the Palestinians.

--The US has "let Egypt down repeatedly" and is now rejecting a solution in terms of UN Security Council Resolution 242.

--For now, Egypt will be able to live with another downturn in relations with the US. Henceforth, Greene should contact the Egyptian Government through the Foreign Ministry, rather than through Ismail's office.

The Egyptian press in recent days has focused on alleged US promises of more fighter aircraft for Israel. Press charges have also been leveled that the "spy plane" incident off Libya on Wednesday is further proof of "US-Israel collusion."

*Such a propaganda campaign is designed to increase distrust of the US and seems aimed at ensuring that such topics will be discussed at coming meetings of the Arab League and the Arab chiefs of staff.*

*The net result of all this will be to mute Egypt's recent emphasis on diplomacy. Nevertheless, Egypt would still react with interest to any US initiative aimed at resolving the impasse in the Middle East.*

**FOR THE PRESIDENT ONLY**

*FOR THE PRESIDENT ONLY*

## **EUROPEAN COMMUNITIES**

The modest increase proposed this week by the EC Commission for 1973-74 farm prices is a step toward less dependence on high support prices to which the US has long objected. The proposals are intended to encourage livestock over grain production and to restore the common prices disrupted by recent changes in exchange rates.

The proposals may face tough going next month in the Council despite increasing sentiment in the EC for holding down food prices and farm program costs. Italy opposes any increase in EC prices, while France is under farmer pressures to get higher dairy prices than the Commission has proposed. West German Agricultural Minister Ertl has said privately he could accept the proposals, although German farmers have bitterly denounced them.

Beyond the immediate debate on prices, the Commission also intends to get the Council to review the entire Common Agricultural Policy later this year. It wants eventually to substitute direct income payments to farmers for part of the support they now receive through market prices.

EC Farm Commissioner Lardinois told US officials this week that over the longer term, he could foresee the Community abolishing measures that currently restrict some US agricultural exports. He noted, however, this would have to be a gradual process. Lardinois also mentioned that the Commission is thinking about guaranteeing outsiders access to the EC market.

*FOR THE PRESIDENT ONLY*

**FOR THE PRESIDENT ONLY**

## CHILE

*President Allende's cabinet reorganization will be difficult. The major complications will be the divisive struggle within his Popular Unity coalition and the political role of the armed forces.*

*The struggle between the Communists and the radical wing of the Socialists probably brought on the cabinet's sudden offer to resign on March 22, before Allende had completed plans for the reorganization of the government. The small parties that had served as a buffer between the two large parties were nearly wiped out in the elections, providing a further complication.*

*Military participation in the cabinet has most recently provided this buffer, but the continuation of the military in this role is itself now a controversial issue. The armed forces are divided over remaining in the government. Radical Socialists reportedly are pressing for the ouster of the military as their price for remaining in the cabinet, while the Communists would like the officers to stay, for a time at least. Neither the Communists nor Allende will permit the coalition to disintegrate over the issue.*

**FOR THE PRESIDENT ONLY**

FOR THE PRESIDENT ONLY

NOTES

China: Prospects for the winter grain crops appear generally favorable, contrary to recent press reports. As is customary in China following a poor harvest, winter grain acreage was increased substantially last year, and weather conditions since then have been favorable in most parts of the country. A successful harvest still depends on continuation of good weather during the unstable spring and on only limited loss to insects.

USSR-Somalia: [redacted]

25X1

[redacted]  
25X1

International Oil: The Organization of Petroleum Exporting Countries (OPEC), representing the Persian Gulf states, Libya, and Nigeria, is seeking increased payments from Western oil companies to compensate for the devaluation of the US dollar. Agreements signed last year between the companies and the producers entitle the above OPEC states to increased payments of only six percent. OPEC will press for the full ten percent of the devalued dollar and will probably get it. Such a four-percent increase in per barrel prices will result in a very small hike in retail prices of refined products in those countries that devalued.

Uruguay: Military leaders last night preempted broadcasting on radio and television to denounce the government's "moral deterioration" and congressional obstruction of the armed forces' economic recovery plans. This move appears to be a step toward removal of some of the military's sharpest critics and possibly the closing of congress. President Bordaberry could easily be forced from office in the turmoil. [redacted]

25X1

[redacted] key generals have already decided that Bordaberry must go, but have not yet been able to agree among themselves on a successor.

25X1

FOR THE PRESIDENT ONLY

*Top Secret*



# *The President's Daily Brief*

*26 March 1973*

45

*Top Secret<sup>25X1</sup>*

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

*FOR THE PRESIDENT ONLY*

**THE PRESIDENT'S DAILY BRIEF**

26 March 1973

**PRINCIPAL DEVELOPMENTS**

25X1

South Vietnam

25X1

(Page 1)

25X1

A Cambodian Government spokesman says that Phnom  
Penh has rejected a peace overture from the Khmer  
insurgents. (Page 2)

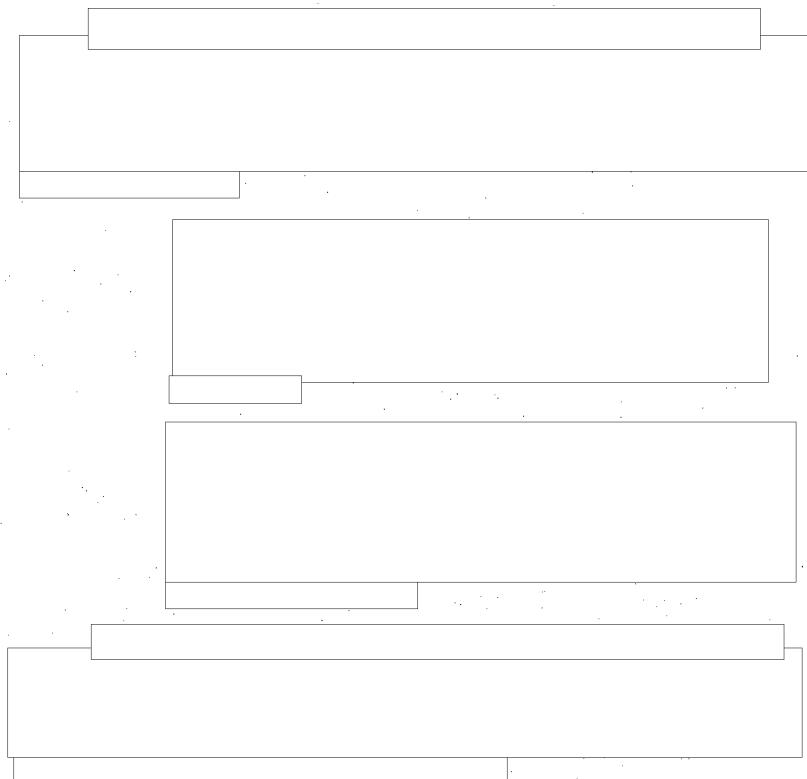
25X1

Efforts to extend the Turkish president's term  
failed again. Parliament now may try again to  
break the deadlock on choosing a successor.  
(Page 3)

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

**SOUTH VIETNAM**



25X1  
25X1

25X1

25X1

25X1

25X1

25X1

25X1  
25X1

25X1

*FOR THE PRESIDENT ONLY*

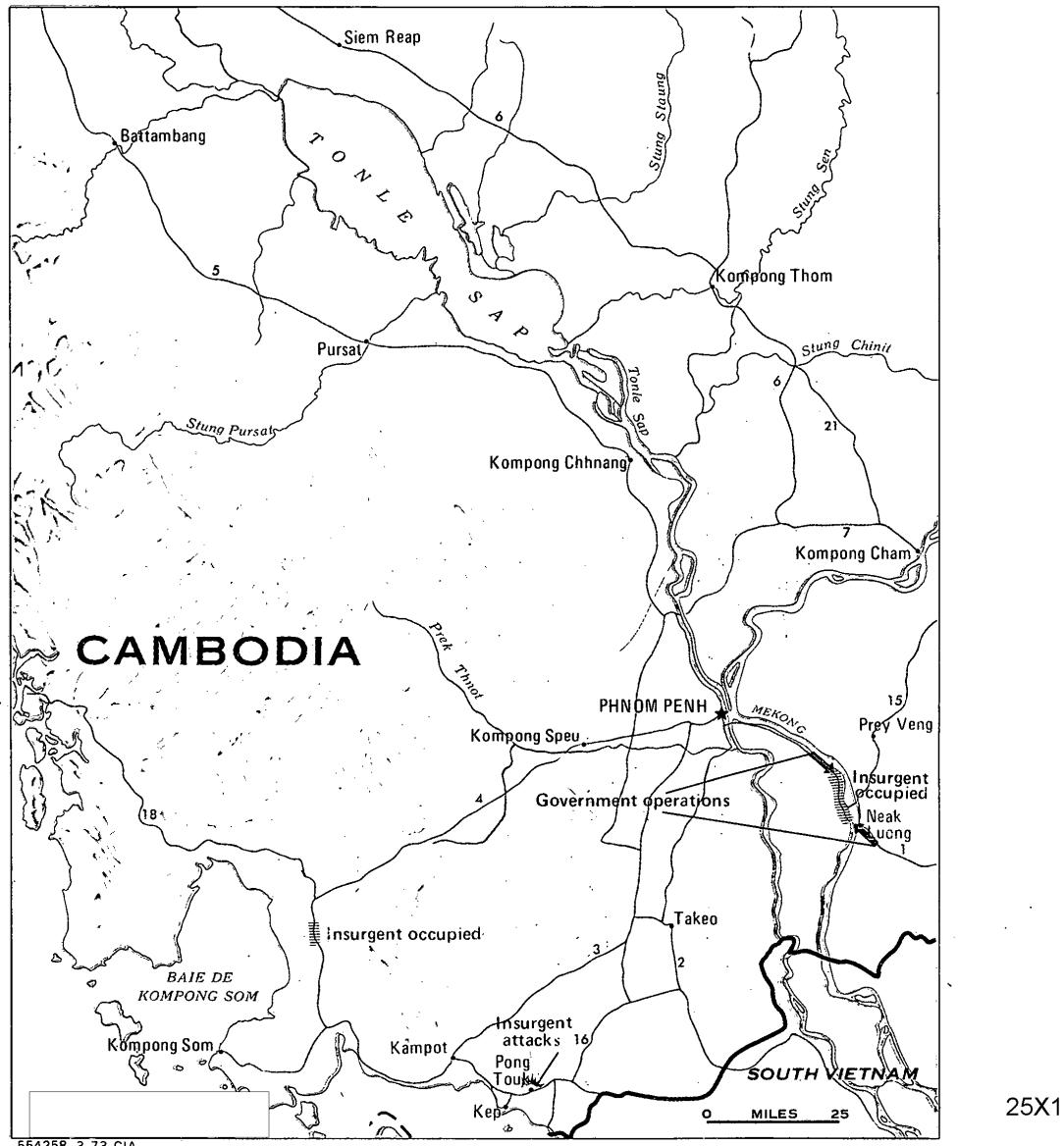
**FOR THE PRESIDENT ONLY**

**CAMBODIA**

The Khmer insurgents have offered to begin peace negotiations, but the Lon Nol government has turned down the Communist proposals, according to a government spokesman. The offer was contained in a letter to First Minister Hang Thun Hak which purportedly was written by Hou Youn, Sihanouk's in-country "minister of interior." The government spokesman, who gave the story to the press, refused to divulge the proposals other than one stipulation that Lon Nol and his supporters were not to participate in the negotiations.

*There are some doubts that the offer is authentic, given the fragmentary nature of Hak's earlier accounts of his contacts with Hou Youn and the uncertainty that Youn is even alive. If the offer is authentic, however, the government's announcement to the press probably has closed this channel to the insurgents.*

**FOR THE PRESIDENT ONLY**



554258 3-73 CIA

25X1

**FOR THE PRESIDENT ONLY**

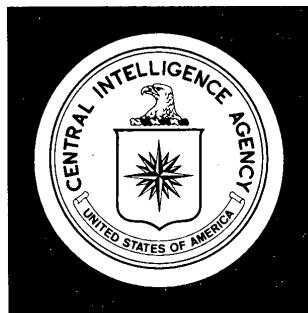
**NOTES**

Turkey: The crisis over the presidency continues following the Senate's rejection yesterday of the proposed constitutional amendment to extend President Sunay's term by two years. With Sunay's term expiring on Wednesday, parliament probably will resume efforts to elect a successor today. If it is no more successful than in the eight previous ballots, the Senate's presiding officer, Tekin Ariburun of the Justice Party, will become acting president. In the early voting Ariburun held a substantial lead over Faruk Gurler, the military's candidate, but both withdrew in favor of the constitutional amendment approach when neither was able to secure the necessary two-thirds majority.

Cambodia: Over the weekend government forces began a multi-battalion operation to clear a 15-mile section of Route 1 between Phnom Penh and the Neak Luong ferry crossing on the Mekong. Four battalions are trying to push south along the highway, and other units are moving up from the south. In other action, government forces reopened Route 5 northwest of the capital on Friday, while the insurgents yesterday attacked government positions along Route 4 some 50 miles from the port of Kompong Som and closed a section of the highway. In the extreme south, three government outposts near Pong Touk have been overrun in the past few days.

Europe-Terrorism: Western European governments are making only limited progress in developing a collective approach against terrorism. At a recent meeting of EC foreign ministers, only the Belgian and German ministers advocated concerted action, such as demarches with Arab governments or tightened internal security measures. Some fear that coordinated diplomatic measures could make matters worse. Two study groups established after the Munich incident last September were reactivated, however, and EC members have begun exchanging information on terrorist activities with other European states.

*Top Secret*



## *The President's Daily Brief*

*27 March 1973*

45

~~Top Secret~~ 25X1

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

CENTRAL INTELLIGENCE AGENCY

WASHINGTON, D.C. 20505

**TOP SECRET**

March 27, 1973

[Redacted]

25X1

[Redacted]

25X1

[Redacted]

25X1

[Redacted]

[Redacted]

25X1

25X1

[Redacted]

[Redacted]

25X1

25X1

25X1

[Redacted]

25X1

**TOP SECRET**

*FOR THE PRESIDENT ONLY*

**THE PRESIDENT'S DAILY BRIEF**

27 March 1973

**PRINCIPAL DEVELOPMENTS**

Egyptian President Sadat's long speech yesterday suggests no major policy changes; in assuming the premiership, he presumably hopes to prove that he can provide the forceful leadership that many Egyptians have found wanting in his regime. (Page 1)

India's low-key response to the US removal of an embargo on sales of military equipment to Pakistan suggests that New Delhi intends to continue to improve relations with Washington. (Page 2)

Ugandan President Amin's charges that an invasion by Tanzania is imminent may actually be a further effort to keep his unruly army under control.  
(Page 3)

The appearance of Uruguay's key generals on television and radio last Friday was, in effect, a second warning that civilian government can continue only if it follows the military's directives.  
(Page 4)

*FOR THE PRESIDENT ONLY*

**FOR THE PRESIDENT ONLY**

**EGYPT**

*In assuming the premiership yesterday, apparently for a limited period, President Sadat presumably hopes to prove that he can provide the forceful leadership that many Egyptians have found wanting in his regime. Sadat's assumption of the post, however, means that he is more directly exposed to the criticism that previously was partially deflected to former Prime Minister Sidqi. Apparently realizing this, Sadat has promised periodic joint conferences of legislative and party members to approve Egyptian policies, a procedure that would spread responsibility for decision-making.*

*Sadat's long speech yesterday suggests no major policy changes, and a preliminary report on the new cabinet--which will be formally announced tomorrow--indicates that the reshuffle involves few important shifts.*

Sadat directed considerable criticism at the United States in the course of his speech, but he conceded that President Nixon had recently taken a positive position--at least on the surface--regarding some resettlement issues. Sadat described the current phase of the dispute with Israel as "all-out confrontation," but said diplomatic activity would continue. He adhered generally to well-established Egyptian positions regarding settlement terms.

In discussing Egyptian domestic problems, Sadat used the theme of "coming battle" to urge greater discipline and sacrifice. He warned that the activities of dissenters would not be tolerated and described student protesters as only a small minority of malcontents.

**FOR THE PRESIDENT ONLY**

**INDIA**

India's low-key response to the US removal of an embargo on sales of military equipment to Pakistan suggests that New Delhi intends to continue to improve relations with Washington. The prevailing Indian Government analysis apparently is that the US sales to Pakistan will have no significant effect on the subcontinent's military balance. The government may have been moved toward such a conclusion by growing criticism from conservatives of India's close ties with Moscow.

When die-hard anti-US members in parliament suggested that the government turn down the restoration of \$87.6 million in US economic assistance in protest, Finance Minister Chavan refused. Moreover, New Delhi's relatively relaxed position on US arms sales to Pakistan has apparently been communicated to Congress Party functionaries throughout the country. Scarcely a week after the military sales announcement, the social welfare and relief minister of West Bengal buttonholed the US consul general in Calcutta with an appeal for increased PL-480 aid. More such requests are likely as Congress Party officials in other state governments seek US food for their areas.

Mrs. Gandhi will still have to cope with Moscow's strong lobby in India, which will attempt to make the most of the lifting of the arms embargo.

25X1

25X1

Indian policy toward the US, therefore, may appear erratic, but it seems likely that, for now, its main track will be toward better relations.

25X1

**FOR THE PRESIDENT ONLY**

*FOR THE PRESIDENT ONLY*

**UGANDA**

*President Amin's charges that an invasion by Tanzania is imminent may actually be a further effort to keep his unruly army under control. The President may have contrived the latest invasion scare in order to put the army on alert and thus keep it too preoccupied to carry out any anti-government move.*

25X1

25X1

25X1 25X1

*FOR THE PRESIDENT ONLY*

**FOR THE PRESIDENT ONLY**

**URUGUAY**

Last Friday night's appearance on radio and television of all of Uruguay's key generals was more than an effort to force a balky congress to implement the military's plan for national economic recovery. It was, in effect, a second warning that civilian government can continue only if it is willing to follow the military's directives. The generals evidently now believe themselves strong enough to face down any opposition.

The generals also are making their influence felt outside the government. For example, they have given a veiled warning to the nation's strongest labor union that the military will not tolerate a strike scheduled for Thursday.

The reactions of civilian politicians have been rather meek. Ruling Colorado Party leaders have sought only to defend their records against charges of corruption. The opposition Blancos have not commented, but are preparing to do so. The leftists in the "Frente Amplio" coalition say they are "studying" the military's statement.

Within two months, the generals have twice imposed their will by coercion. Further opposition to them could endanger the survival of the already weakened civilian government and possibly prompt the generals to force President Bordaberry's resignation and install a military junta.

**FOR THE PRESIDENT ONLY**

*FOR THE PRESIDENT ONLY*

**NOTES**

UN - South Vietnam: Late last week Secretary-General Waldheim reportedly received both the Provisional Revolutionary Government's formal request for a UN liaison office in New York and a Secretariat memorandum opposing that request. The Secretariat advised Waldheim that there is no precedent for such action. Earlier, UN legal adviser Stavropoulos also cautioned Waldheim against haste, although he found no legal barrier. Despite US objections, Waldheim has continued to consider PRG association, contending that it is necessary for a UN role in Vietnam relief projects. He is now likely to respond that the matter is under study.

Zambia-Rhodesia: The Zambian Government is partially ignoring its border closure by allowing rail traffic to enter Zambia from Rhodesia. Stocks of consumer goods and other imports have dwindled, and the decision to revert to the Rhodesian railroad for imports is designed to avoid the development of public discontent. There has been no relaxation, however, of the ban on copper exports or road traffic through Rhodesia, and Lusaka is still hopeful that massive foreign assistance--so far slow in materializing--will permit it to re-route foreign trade.

USSR-Pakistan: A Soviet mission probably will negotiate a trade agreement with Pakistan in the next few weeks and settle on a list of aid deliveries to be made this year. Earlier this month, Moscow relieved Islamabad of responsibility for outstanding debts incurred on behalf of the former East Pakistan. Soviet-Pakistan economic relations have been dormant since the 1971 Indo-Pakistani war. Prior to the hostilities, Soviet-Pakistani trade amounted to \$70 million annually, and Soviet aid deliveries averaged almost \$10 million a year.

*Top Secret*



## *The President's Daily Brief*

*28 March 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

25X1

TURKEY

President Sunay's term ends today and no successor has been named. The armed forces are split on how to react to the politicians' rejection of the military's choices for a new president



25X1

25X1

25X1

TOP SECRET  
REF ID: A6512

*FOR THE PRESIDENT ONLY*

**THE PRESIDENT'S DAILY BRIEF**

28 March 1973

**PRINCIPAL DEVELOPMENTS**

25X1

The price of gold has reached a record high [redacted]. Meanwhile, the Japanese are trying to keep the yen's appreciation at about 16 percent. (Page 1)

25X1

[redacted]

Libya is providing support to Oman in its fight against guerrillas backed by Yemen (Aden). (Page 3)

Chile has a new cabinet. (Page 4)

Australian Prime Minister Whitlam has defended the ANZUS Alliance. (Page 5)

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

## INTERNATIONAL MONETARY DEVELOPMENTS

The price of gold reached a record high of over \$90 an ounce yesterday.

A recent forecast by a prominent London gold trader that the price will go over \$100 an ounce this year probably was the major factor in the rise.

25X1

\* \* \*

The central bank is intervening heavily in Tokyo's foreign exchange market to maintain the yen appreciation of about 16 percent compared with its old central rate. During the last two days, the Bank of Japan sold an estimated \$240 million to prevent strong demand for dollars from eroding the yen-dollar exchange rate.

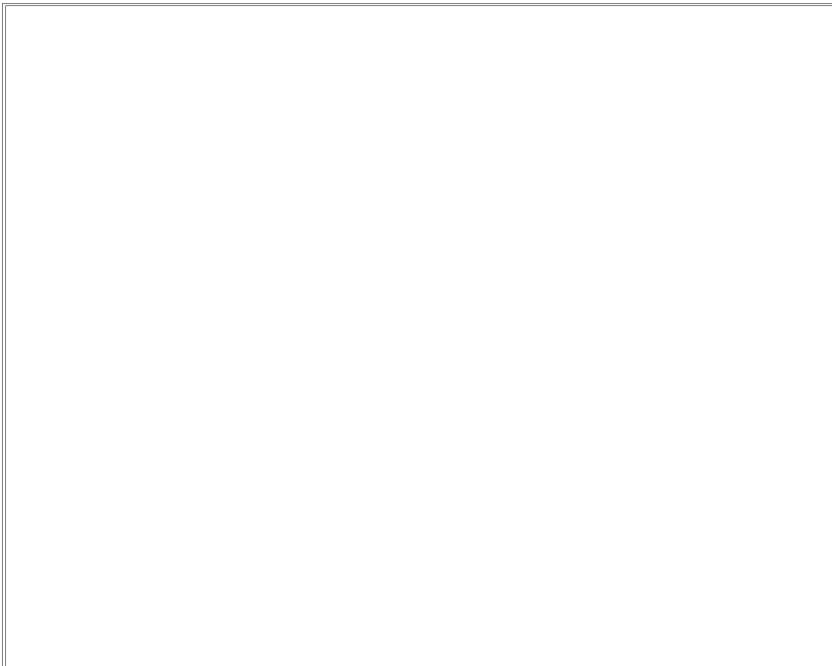
These sales reflect the need of commercial banks to rebuild dollar balances to required end-of-the-month levels, continued rapid growth in imports, and one-time payments to the US for uranium enrichment services and equipment for nuclear power plants. Some weakening of the dollar is likely after the end of the month, and contracts to buy yen in the future indicate an even higher appreciation to come.

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

**LIBYA-US**

225X1

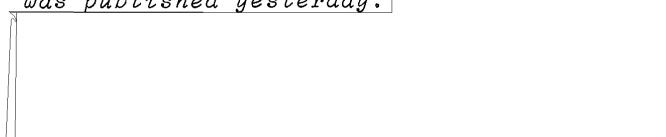


Libyan Air Force fighters are now on 24-hour alert with orders to attack any foreign military aircraft that appears to be reconnoitering the Libyan coast, according to a senior Libyan air defense officer. The officer said that the attack on the RC-130 last week was not per se an anti-American act and that Libya's reaction would have been the same if the plane had been Soviet or French.

*In fact, neither the Soviets nor the French fly reconnaissance in this area. Libya appears serious about enforcing the 100-mile restricted flight zone it has declared around Tripoli, and the chances are good that, given the opportunity, it will try to bring down a reconnaissance plane.*

*Libya's press has been quiet about the incident so far; the first mention of it was published yesterday.*

2525X1



*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

**LIBYA-OMAN**

Libyan President Qadhafi has apparently decided to provide about \$30 million to support Oman's military effort against guerrillas in the western Omani Province of Dhofar.

Qadhafi would like to extend his influence in the Persian Gulf states. He also finds it natural to support a fellow Muslim state against forces backed by the Marxist leaders of Yemen (Aden).

The Libyan aid should help to ease some of Oman's financial problems. Saudi Arabian financial and military aid to Oman has not reached expected levels, and the Omani defense budget has nearly doubled since 1971 because of the fighting in Dhofar.

The Omanis currently depend primarily on the UK and Iran for military support. British officers are the mainstay of the Omani Army, and two British Army support units operate in Dhofar. Iran recently sent a 150-man combat unit and nine helicopters to Oman. The guerrillas receive most of their support from Yemen (Aden), which funnels Soviet arms across the border into Dhofar.

*FOR THE PRESIDENT ONLY*

**FOR THE PRESIDENT ONLY**

## CHILE

*The cabinet sworn in by President Allende yesterday appears to be a compromise meant to alleviate growing dissension within his Popular Unity coalition. There are five new ministers.*

*The important decision not to reappoint members of the armed forces as ministers is a concession to the radical wing of Allende's Socialist Party. None of the Socialist ministers named, however, is identified with that group's extremist policy. The retention of only three ministries was probably made palatable to Communist Party leaders by the selection of moderate Socialists and of several additional ministers from insignificant coalition parties.*

*Before swearing in the new cabinet, Allende said that the military will play a major role in further economic development programs. Such assurances, however, sound hollow, because he retained development chief Vuskovic and other top economic officials known for their radical policies.*

**FOR THE PRESIDENT ONLY**

*FOR THE PRESIDENT ONLY*

AUSTRALIA

Prime Minister Whitlam has made his most forth-right defense to date of the ANZUS Alliance. In remarks on March 25 to a conference of the Victoria State Labor Party, the stronghold of the party's left, Whitlam stressed his commitment to agreements covering US military and scientific installations in Australia. He told his audience that the party had no "mandate" to break agreements with the US, and urged the leftists not to "blame the Yanks for everything you don't like in this country."

*Whitlam's comments helped to defeat a draft resolution calling for removal of US facilities, but an amended measure opposing new US installations did pass. Although left-wing resistance within the party may delay approval of the US Omega navigational aid station now under consideration, Deputy Prime Minister Barnard has assured the US Ambassador that these political problems can be resolved satisfactorily.*

*FOR THE PRESIDENT ONLY*

**FOR THE PRESIDENT ONLY**

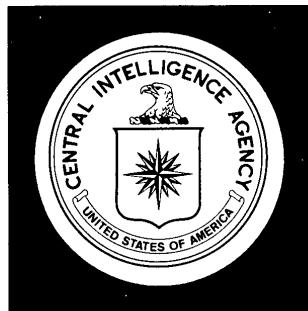
**NOTES**

CSCE: The multilateral preparatory talks in Helsinki, leading to convocation of a Conference on Security and Cooperation in Europe in June, are making progress. The US delegation expects that when this round recesses for two weeks on April 6, draft mandates will have been produced on "principles of security," economic cooperation, and increasing human contacts between East and West. Such drafts will then be subject to intensive NATO (and perhaps Warsaw Pact) consultations. The question of a fourth mandate, for establishment of permanent machinery to follow up the conference, which the Soviets have been pushing against Western resistance, is not likely to be resolved before the April recess.

South Vietnam: The bilateral talks in Paris between the Thieu government and the Viet Cong are making little progress. After three formal sessions, the two sides have agreed that the agenda should include the question of general elections for South Vietnam and the creation of the Council for National Reconciliation and Concord. Saigon wants to add the question of the demobilization of Vietnamese armed forces, including the withdrawal of Hanoi's troops; the Viet Cong want the subject of "democratic liberties" in South Vietnam on the agenda. Each side is trying to pin responsibility on the other for the slow pace of the talks, and both may be waiting to see what happens after withdrawal of US troops and President Thieu's meeting with President Nixon next week.

India: The outlook for the important spring wheat crop has improved in the northern and western parts of the country, due to better weather conditions in the past month. Drought continues, however, to hurt spring crops in other sections of India. The improved prospects for the wheat crop--which accounts for two thirds of total spring foodgrains--probably has reinforced the government's earlier decision to delay buying large amounts of foreign foodgrains because of high prices and tight supplies. In the meantime, there is hunger in many areas, and the current situation apparently is more serious than official statements indicate.

*Top Secret*



## *The President's Daily Brief*

*29 March 1973*

45

*Top Secr<sup>25X1</sup>*

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

CENTRAL INTELLIGENCE AGENCY  
WASHINGTON, D.C. 20505

TOP SECRET

March 29, 1973

[Redacted]

25X1

[Redacted]

25X1

[Redacted]

25X1

[Redacted]

[Redacted]

25X1

[Redacted]

25X1

[Redacted]

25X1

25X1

[Redacted]

25X1

25X1

25X1

[Redacted]

25X1

TOP SECRET

EYES ONLY FOR THE PRESIDENT

**FOR THE PRESIDENT ONLY**

**THE PRESIDENT'S DAILY BRIEF**

29 March 1973

**PRINCIPAL DEVELOPMENTS**

The South Vietnamese Government has taken a significant step toward reconciliation with the An Quang Buddhists, the country's most important non-Communist opposition group. (Page 1)

The political situation in Phnom Penh seems to have stabilized for the time being. Sirik Matak remains under house arrest, but no new arrests have been reported this week. (Page 2)

The Chinese have completed extensive parts of a long, all-weather road from Kun-ming to Laos. (Page 3)

In the Philippines, pro-Chinese Communists are trying to establish links with Muslim dissidents in the south. (Page 4)

Turkey still lacks an elected successor to President Sunay. Tekin Ariburun, presiding officer of the upper house, became acting president today. (Page 5)

Moscow's recent \$190-million credit for Iran's Isfahan steel mill and associated facilities raises Soviet aid for the project to more than a half billion dollars. This is more than the USSR has extended for any other economic aid project. (Page 6)

**FOR THE PRESIDENT ONLY**

FOR THE PRESIDENT ONLY

SOUTH VIETNAM

One of President Thieu's aides recently met with Buddhist Senator Tran Quang Thuan to discuss the possibility of putting up some Buddhist candidates for the third segment of the Council of National Reconciliation and Concord.

Thuan told the aide that An Quang's participation would be contingent on the Buddhists' having a significant role in making the government "more effective" for political competition with the Communists. The two men discussed the names of several possible candidates, but reached no decisions.

*Although the government has not committed itself to proposing any Buddhists for the council, the action follows other recent gestures toward reconciliation with the An Quang movement, the country's most important non-Communist opposition group.*

*The move suggests that Saigon may intend to propose some genuinely independent anti-Communist candidates for the third segment of the council. [redacted]*

25X1

*[redacted] the government might put forth only its sympathizers, in the expectation that the Communists would do the same.*

25X1

FOR THE PRESIDENT ONLY

**FOR THE PRESIDENT ONLY**

## CAMBODIA

There are signs that the government crackdown on civilian opposition elements has run its course for the time being. No new arrests have been reported this week.

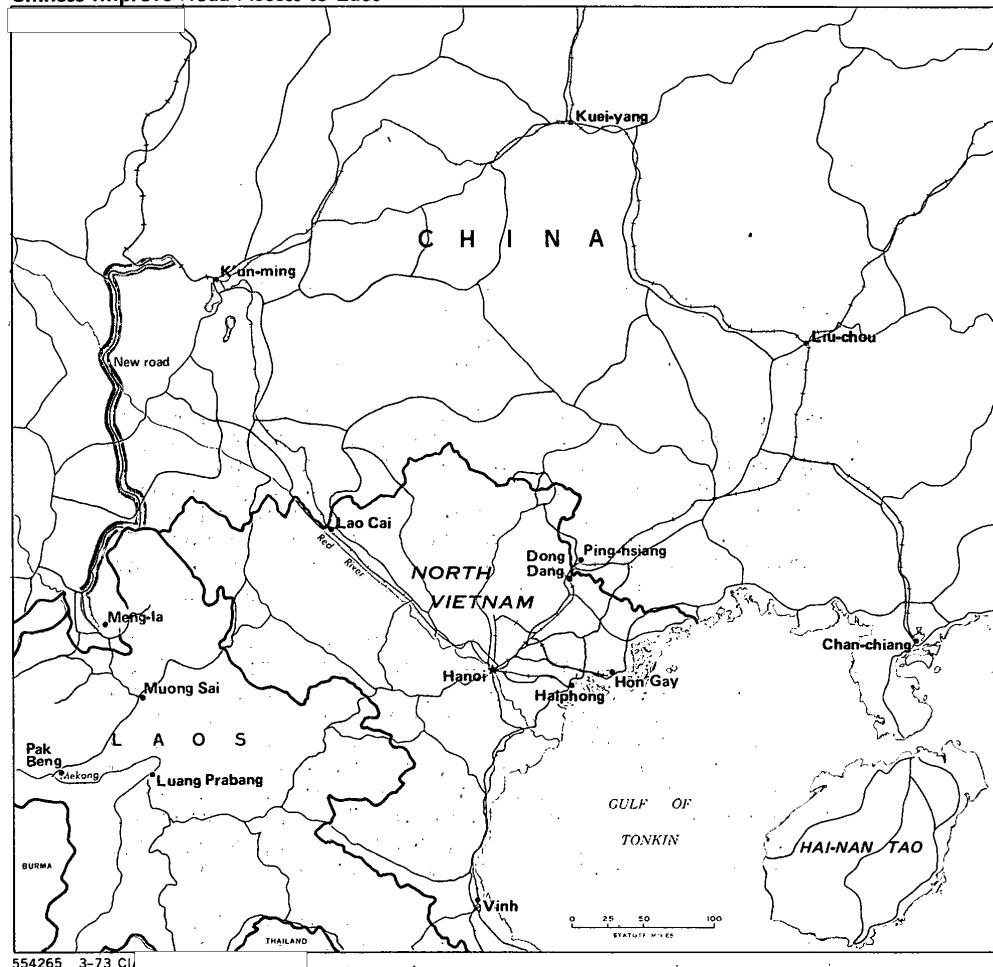
Former Democratic Party leader In Tam has said that he believes that for now the government's attention will stay focused on Sirik Matak, who is still under house arrest, and on his Republican Party associates. In Tam does not rule out the possibility, however, that the regime may yet move against himself and the Democratic Party. One of his sources has told him that Lon Non plans to exile or jail all prominent opposition figures, including Sirik Matak and In Tam.

Lon Nol--aware of his younger brother's unpopularity--may at last be thinking of reducing Lon Non's authority, at least in appearance. A few days ago, the President told a Cambodian Army general that he would do "what is necessary" to remove Lon Non from the government. Lon Non, meanwhile, has been putting out the word that he would leave the government if that is what Lon Nol wants.

*Such a shift would be primarily cosmetic and would not lessen Lon Non's political influence. It would help to reduce political tensions, however.*

**FOR THE PRESIDENT ONLY**

Chinese Improve Road Access to Laos



554265 3-73 Cl

25X1

25X1

*FOR THE PRESIDENT ONLY*

**CHINA-LAOS**

The Chinese have completed extensive parts of an approximately 300-mile, all-weather road from Kun-ming to Laos. [redacted] that the road runs due south from a major rail-to-road transshipment point west of Kun-ming to Meng-la near the Laos border.

25X1

*Meng-la is the hub of the Chinese-built roadnets that cross into extreme northern and northwestern Laos. The Kun-ming to Meng-la road system has been under construction for over a year. The finished parts of the system are dual lane, with permanent stream crossings and oiled surfacing. Since 1965, the Chinese have steadily improved almost all their roads near their lengthy southwestern frontier.*

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

## PHILIPPINES

The pro-Chinese Communist party has reportedly ordered its Muslim members to return immediately to their home areas in the southern islands. Some 35 have already left the Manila area with instructions to penetrate dissident groups or, failing this, to establish links with the Muslims.

*Past attempts to cultivate the anti-government Muslims have foundered on traditional Muslim hostility toward the Communists. The recent fighting and the appearance of younger, more militant Muslim leaders has apparently encouraged the Communists to try again.*

*Acting independently, neither the Communist insurgent force in northern Luzon nor the Muslims pose a major threat to the government. The Communists may eventually be able to develop contacts with the southern Muslims, however, and some agreement might be reached on common anti-government efforts. Coordinated action could strain the Philippine Government's ability to cope with widespread dissidence. This possibility underlines the need for Manila to defuse the Muslim problem as soon as possible.*

*FOR THE PRESIDENT ONLY*

**FOR THE PRESIDENT ONLY**

**TURKEY**

Tekin Ariburun, Justice Party member and presiding officer of the upper house, became acting president today; he will serve until parliament elects a successor to President Sunay. The next round of voting is scheduled for March 30. Party leaders reportedly are still far apart on how to proceed.

*The military will oppose any extended term for Ariburun. Air force commander at the time of the May 1960 military coup, Ariburun refused to join the junta and was imprisoned for more than a year. The military's dislike of Ariburun was compounded by his outspoken criticism of the military intervention in politics in March 1971.*

*Air force jets made repeated flights over the parliament building yesterday while the legislators were meeting. Such flights have been used in the past to warn the politicians that the military's patience was wearing thin.*

**FOR THE PRESIDENT ONLY**

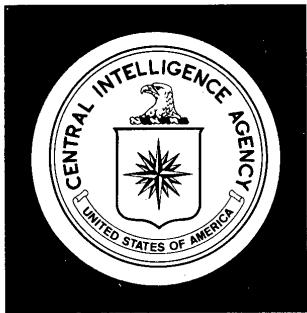
**FOR THE PRESIDENT ONLY**

**NOTE**

USSR-Iran: Soviet agreement to provide an additional \$190 million for Iran's Isfahan steel mill and associated facilities raises Soviet aid for the project to more than a half billion dollars. This is more than Moscow has extended for any other economic aid project. With total Soviet aid commitments of nearly \$800 million, Iran ranks fourth among less-developed countries receiving Soviet economic aid. The new credit will help triple the annual capacity of the Isfahan mill to almost 2 million tons by 1975. Eventually the mill will produce 4 million tons annually. Iran pays for Soviet aid chiefly through exports of natural gas.

**FOR THE PRESIDENT ONLY**

*Top Secret*



## *The President's Daily Brief*

*30 March 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

EYES ONLY FOR THE PRESIDENT

TOP SECRET

CENTRAL INTELLIGENCE AGENCY

WASHINGTON, D.C. 20505

March 30, 1973



25X1

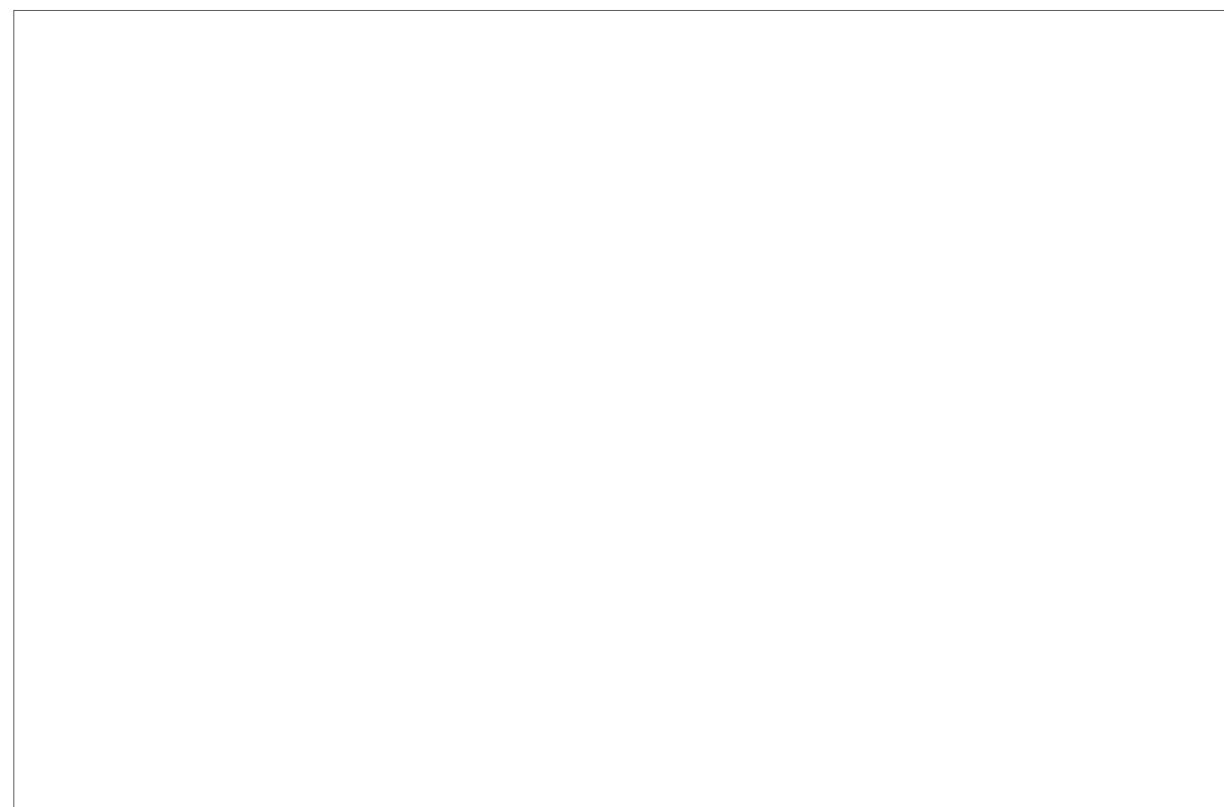


225X1

TOP SECRET

Declassified in Part - Sanitized Copy Approved for Release 2016/06/14 : CIA-RDP79T00936A011500010079-3

25X1



25X1

Declassified in Part - Sanitized Copy Approved for Release 2016/06/14 : CIA-RDP79T00936A011500010079-3

25X1

*FOR THE PRESIDENT ONLY*

**THE PRESIDENT'S DAILY BRIEF**

30 March 1973

**PRINCIPAL DEVELOPMENTS**

25X1

The EC political committee will be discussing MBFR for the first time today. This could lead to the committee's eventually developing a distinctive European position. (Page 1)

25X1

Soviets   25X1  
  (Page 2)

Tanaka has recommended liberalizing controls on agricultural imports from the US, but is not pushing them against tough opposition. (Page 3)

Laos   25X1  
  (Page 4) 25X1

25X1

25X1

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

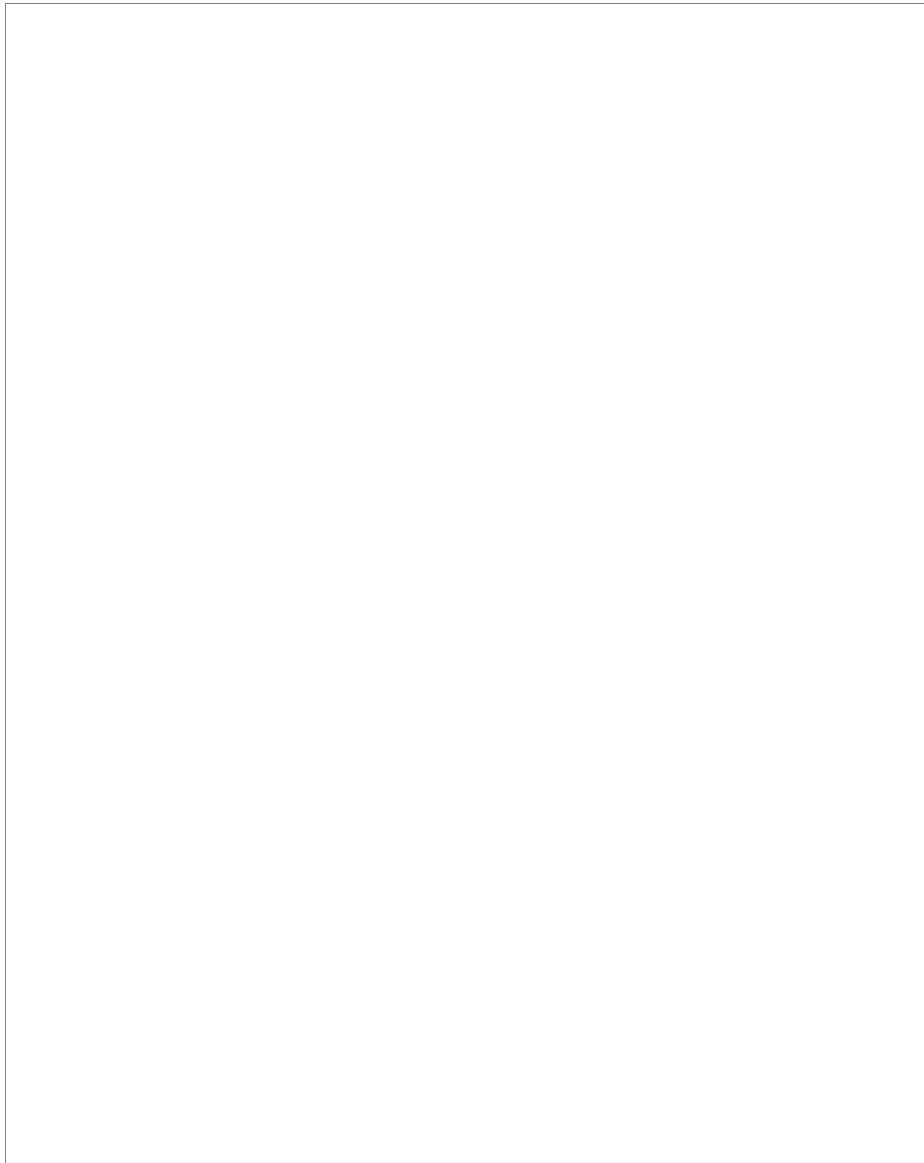
**MBFR-EC**

For the first time MBFR will be on the agenda of the EC political committee when it meets today. The committee will informally explore how MBFR problems might later be formally considered without harming the NATO consultations. Withdrawal of previous French and West German opposition is making the discussion possible.

Bonn says it hopes that the French are searching for a way of joining the MBFR talks without losing face, but it is more likely that Paris sees an opportunity to impress its negative view on other EC members.

The two-month disagreement over Hungary's role has tended to exacerbate the Europeans' fears that MBFR might turn into a bilateral US-USSR exchange that would not pay sufficient attention to their security. Opening the door to MBFR discussions in the EC committee could transform it into a forum for developing a distinctive European position.

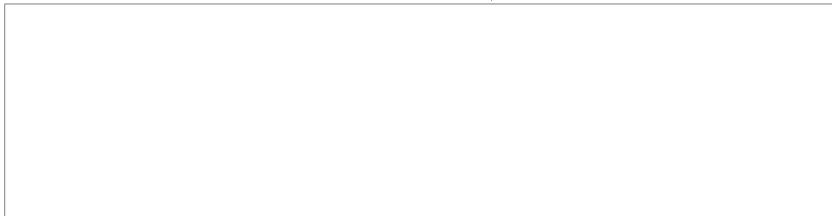
*FOR THE PRESIDENT ONLY*



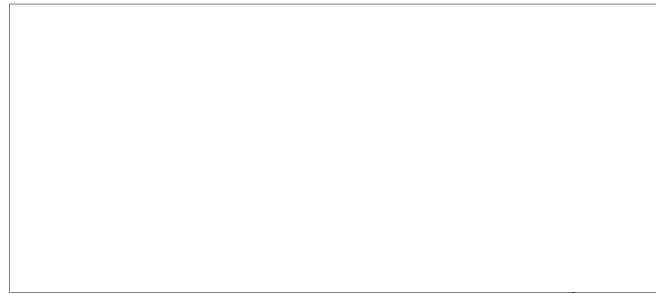
25X1

*FOR THE PRESIDENT ONLY*

**USSR - YEMEN (ADEN)**



25X1



25X1

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

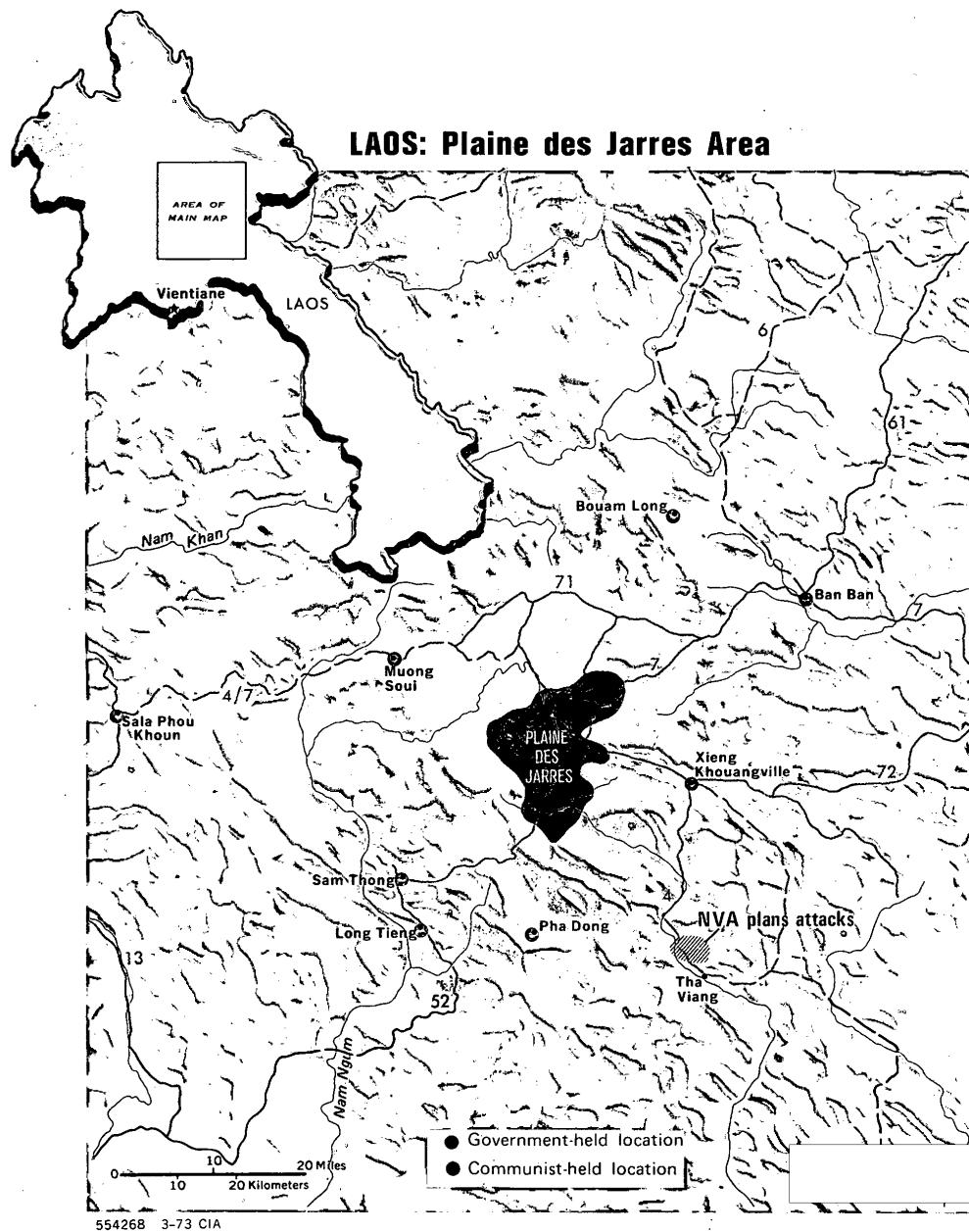
**JAPAN**

Prime Minister Tanaka has recommended liberalization of controls on agricultural imports from the US, but he is not pressing hard against recalcitrant elements of his government. The Minister of Agriculture and Forestry appears totally opposed to relaxed restrictions, and opposition remains strong elsewhere in the ruling Liberal Democratic Party.

*Even if Tanaka should want to override his minister, it is doubtful that he could get the necessary support from the Diet.*

*The prime minister is already under heavy domestic criticism for his failure to control inflation and correct domestic ills. The expansion of agricultural imports would provoke increased criticism, and would cost Tanaka further crucial support.*

*FOR THE PRESIDENT ONLY*



25X1

*FOR THE PRESIDENT ONLY*

**LAOS**

Intercepted Communist messages indicate that North Vietnamese units are planning to launch a major effort within the next few days to dislodge a government force from positions near Tha Viang, southeast of the Plaine des Jarres. Several government battalions moved into this area late last month when the Communists forced them out of positions farther north. Vang Pao has since reinforced the units and now has some 2,000 men in the vicinity of Tha Viang.

*The North Vietnamese apparently view the buildup of government forces near Tha Viang as an encroachment on territory that was nominally under Communist control at the time of the cease-fire.*

25X1



*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

NOTES

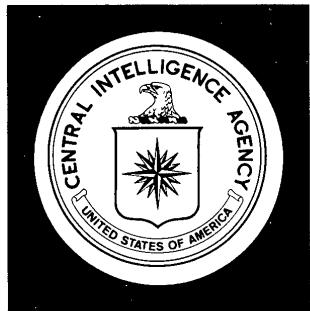
2525X1

North Korea: Pyongyang has purchased at least 600,000 tons of corn, wheat, and flour from the West for delivery this year. This is double its normal grain imports from all sources and well above the previous record high of 500,000 tons in 1966. The purchases may reflect a poor harvest last year as well as a possible drop in imports from the USSR, which has usually supplied about half of North Korea's foreign grain.

East - West Germany: Despite the warmer atmosphere of the latest bilateral talks on March 22, little progress was made. West German State Secretary Grabert came away with the impression that Pankow still wants to slow the pace of negotiations.

*FOR THE PRESIDENT ONLY*

*Top Secret*



## *The President's Daily Brief*

*31 March 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**

31 March 1973

**PRINCIPAL DEVELOPMENTS**

Despite President Sadat's insistence to an American journalist that Egypt's military preparations should be taken seriously, there are no indications that Cairo has begun to prepare in earnest for a military venture against Israel. (Page 1)

The head of the Viet Cong delegation in Paris judges that the Communists will not be ready for elections in the South for two years. (Page 2)

[redacted] extensive construction activity in the eastern USSR at three SS-11 ICBM complexes. (Page 3)

25X1

Lao Prime Minister Souvanna Phouma is optimistic that a new government can be formed by mid-April. (Page 4)

*FOR THE PRESIDENT ONLY*

**FOR THE PRESIDENT ONLY**

**EGYPT**

*For the benefit of the US and his Arab audience, President Sadat emphasized to an American journalist Thursday that Egypt's military preparations should be taken seriously.*

In an interview that will be published in Newsweek, Sadat said he had "run out of ideas" and that there was nothing to do but fight. He declared that Egypt would be prepared to negotiate directly with Israel but only after the battle had begun.

Sadat stated that US "calculations" on prospects for a Middle East settlement are incorrect and warned that US interests in the area would suffer from Washington's actions and policies. He rejected alleged US demands that Cairo openly declare its recognition of Israel's rights and that Egypt make other concessions to Tel Aviv.

*Sadat's militant tone reflects Cairo's pessimism about prospects for a diplomatic settlement of the Arab-Israeli conflict. Current talk of "all-out confrontation" is in large part intended to raise apprehension in Washington and other Western capitals in the hope of stimulating greater diplomatic efforts. Egyptian officials are disappointed that no concrete US initiative has emerged. Reports that the US has promised Israel additional hardware have deepened Egyptian unhappiness and have put Sadat on the defensive.*

*Egypt's rhetoric, however, is traditionally more militant than its actions. Despite such gestures as Sadat's assumption of the post of military governor general, there are no indications that Egypt has begun seriously to prepare for a military venture against Israel.*

**FOR THE PRESIDENT ONLY**

**FOR THE PRESIDENT ONLY**

25X1

**VIETNAM**

25X1

The [redacted] Viet Cong [redacted]

25X1

[redacted] will not be ready for elections in the South for two years. [redacted]

25X1

25X1

25X1

25X1  
25X1

25X1

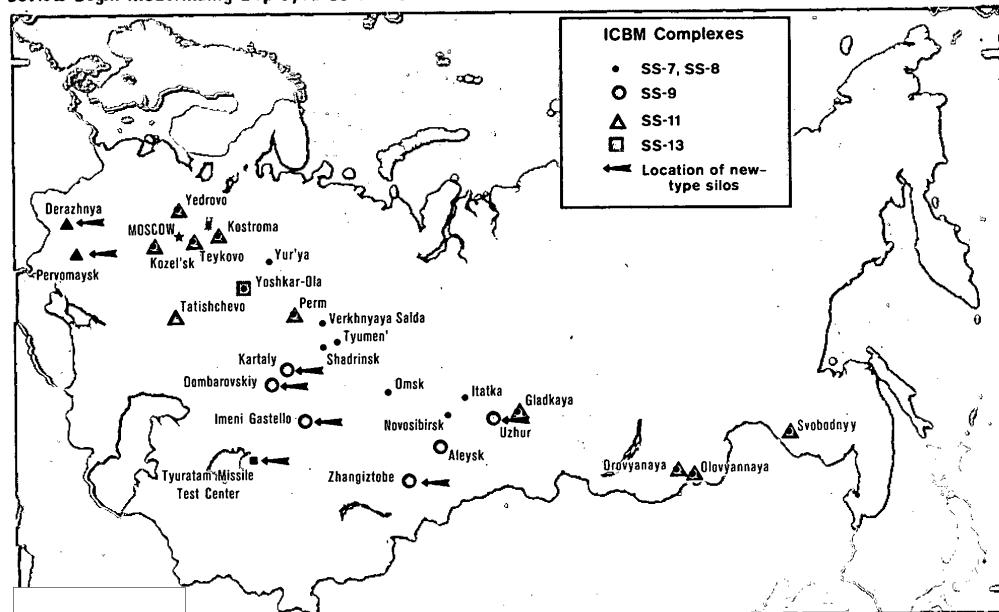
North Vietnamese officials in Paris have also been saying that the Viet Cong will have to be given more public attention, with emphasis on Viet Cong "autonomy." They have implied that Viet Cong representatives will engage in more international contacts without the North Vietnamese holding their hands.

These comments jibe with other recent indications that the Communists are well aware that their political position in the South is weak and no match for President Thieu's political machine. Moreover, the Communists probably have strong doubts as to whether they and Saigon will ever be able to agree to mutually acceptable terms on holding elections. While they will strive to improve their political position in the South, [redacted] they also are building up their military option and are saying that this may eventually be the only way to power.

25X1

**FOR THE PRESIDENT ONLY**

Soviets Begin Modernizing Deployed SS-11 Force



25X1

25X1

FOR THE PRESIDENT ONLY

USSR

[redacted] extensive construction activity in the eastern USSR at three SS-11 ICBM complexes--Svobodnyy, Drovyanaya, and Olovyanaya. The work began in January. Digging can be seen at 22 launch sites, [redacted]

25X1

[redacted] similar activity at other SS-11 complexes. There are no signs that the silos themselves have been altered yet.

25X1  
25X1

*At this point, it appears that the Soviets intend either:*

--to replace the old SS-11 Mod 1 with the new triple-warhead Mod 3 at these silos,  
or

--to convert the silos to a new and harder configuration, like the new small ones at Tyuratam. In this case, either the Mod 3 or the SS-X-17--a new missile in the SS-11 class--could be deployed.

This activity is probably part of a wider effort by the Soviets to improve the quality of their ICBMs during the term of the SALT Interim Agreement. These improvements will include new missiles, better guidance systems, harder silos, and probably MIRVs. Evidence of MIRV development is still lacking, however.

The Soviets have fired ten SS-11 missiles from Svobodnyy and six from Drovyanaya during the past four months, apparently in preparation for the modernization program.

FOR THE PRESIDENT ONLY

**FOR THE PRESIDENT ONLY**

**NOTE**

Laos: Following his recent meeting with Pathet Lao negotiator Phoune Sipraseuth, Prime Minister Souvanna Phouma is optimistic that a new government can be formed by mid-April. Phoune, who recently returned from a short visit to the Communist headquarters near Sam Neua, brought with him a lengthy draft agreement on political matters and a letter from Communist leader Souphanouvong empowering Phoune to negotiate the formation of a new government. The two sides began discussions yesterday, but much hard bargaining probably will be necessary to reach agreement on the division of cabinet portfolios.

**FOR THE PRESIDENT ONLY**

*Top Secret*