

The President's Daily Brief

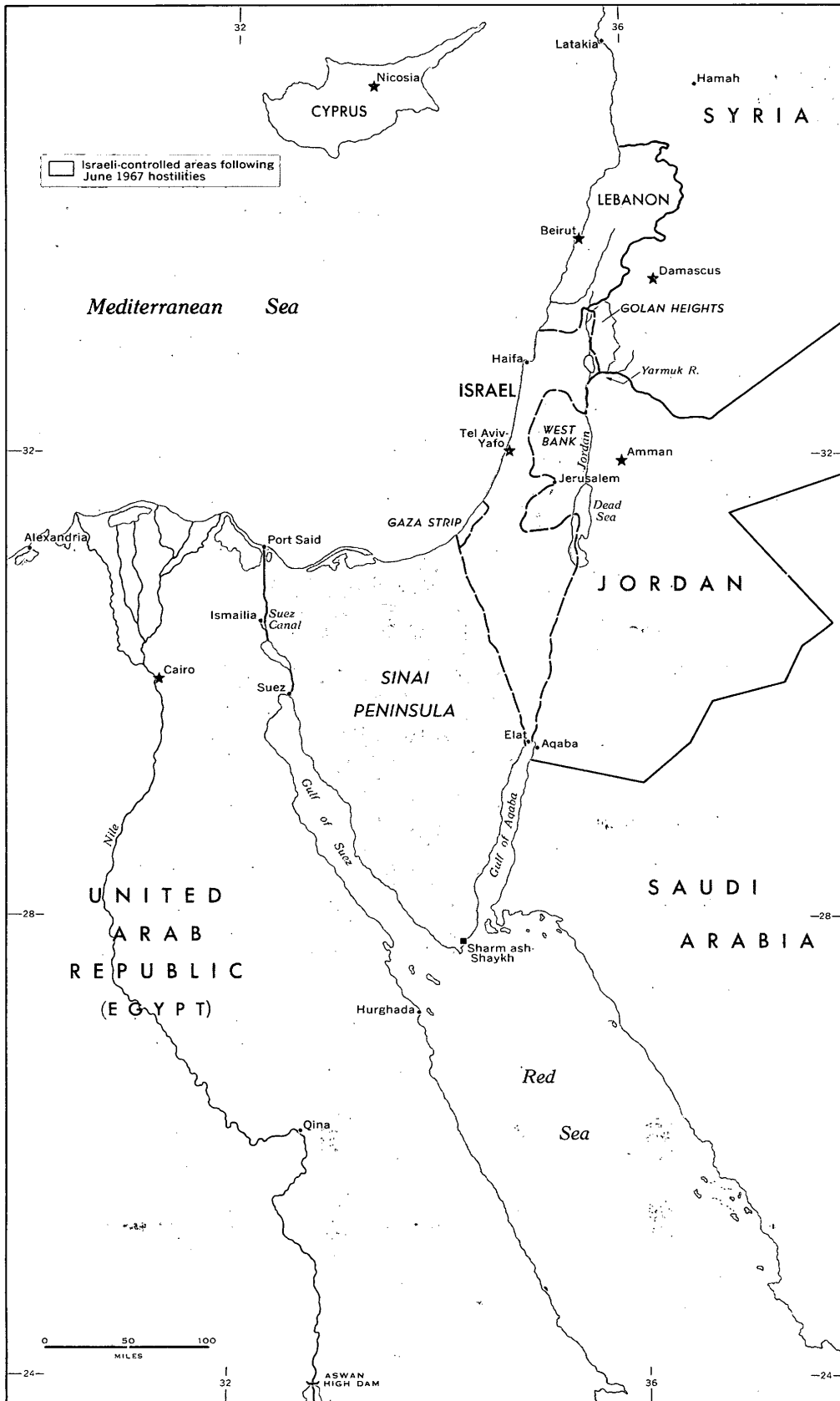
3 March 1969
(Morning)

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FOR THE PRESIDENT ONLY

I. MAJOR DEVELOPMENTS

MIDDLE EAST

The Labor Party is moving ahead with arrangements to nominate Golda Meir for the premiership, but the Dayan forces may cause trouble. Yesterday, they announced that although they did not plan to present Dayan's name to the party now, they would support no other candidate. Dayan thus may be trying to establish a bargaining position--perhaps to obtain party agreement to name him after Mrs. Meir's term as prime minister is completed. Even though Dayan cannot keep the party from nominating her, he might be able to weaken her chances for confirmation by the Knesset. He controls 10 of the Labor Party's slim 63-vote majority in the 120-member Knesset.

EUROPE

French labor and management tomorrow begin the wage talks provided for in last May's accords. Management, backed by the government, maintains that the meetings should be limited to a "review" of the wage/price situation, but the unions are hoping to turn the talks into across-the-board wage negotiations. It is hard to tell how far they can mobilize the rank-and-file behind their demands: a "day of action" in early February fizzled, but there have been signs of greater restiveness among the workers since then. If the government and the employers do nothing more than agree to piecemeal wage increases, there could be widespread labor unrest, although we anticipate nothing as serious as the situation last May.

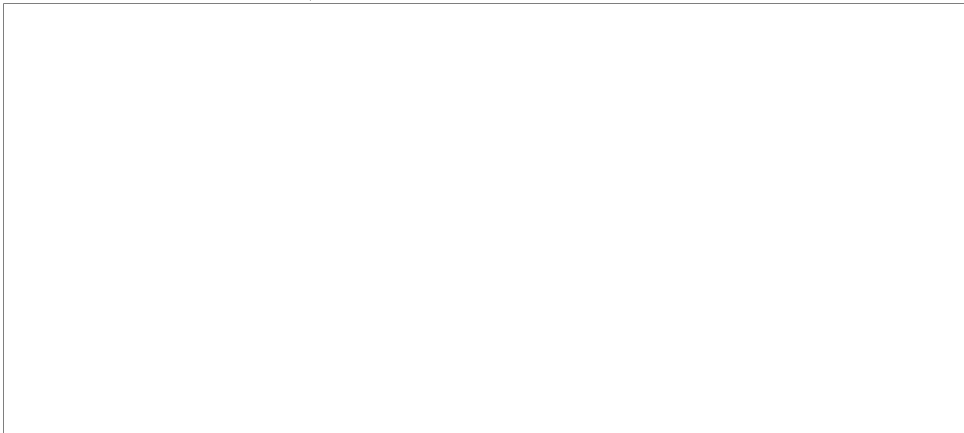
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SOVIET AFFAIRS

The Communists are keeping up the pressure, but the Soviets are trying to promote further 11th-hour discussion of the Bundesversammlung issue by the East and West Germans.

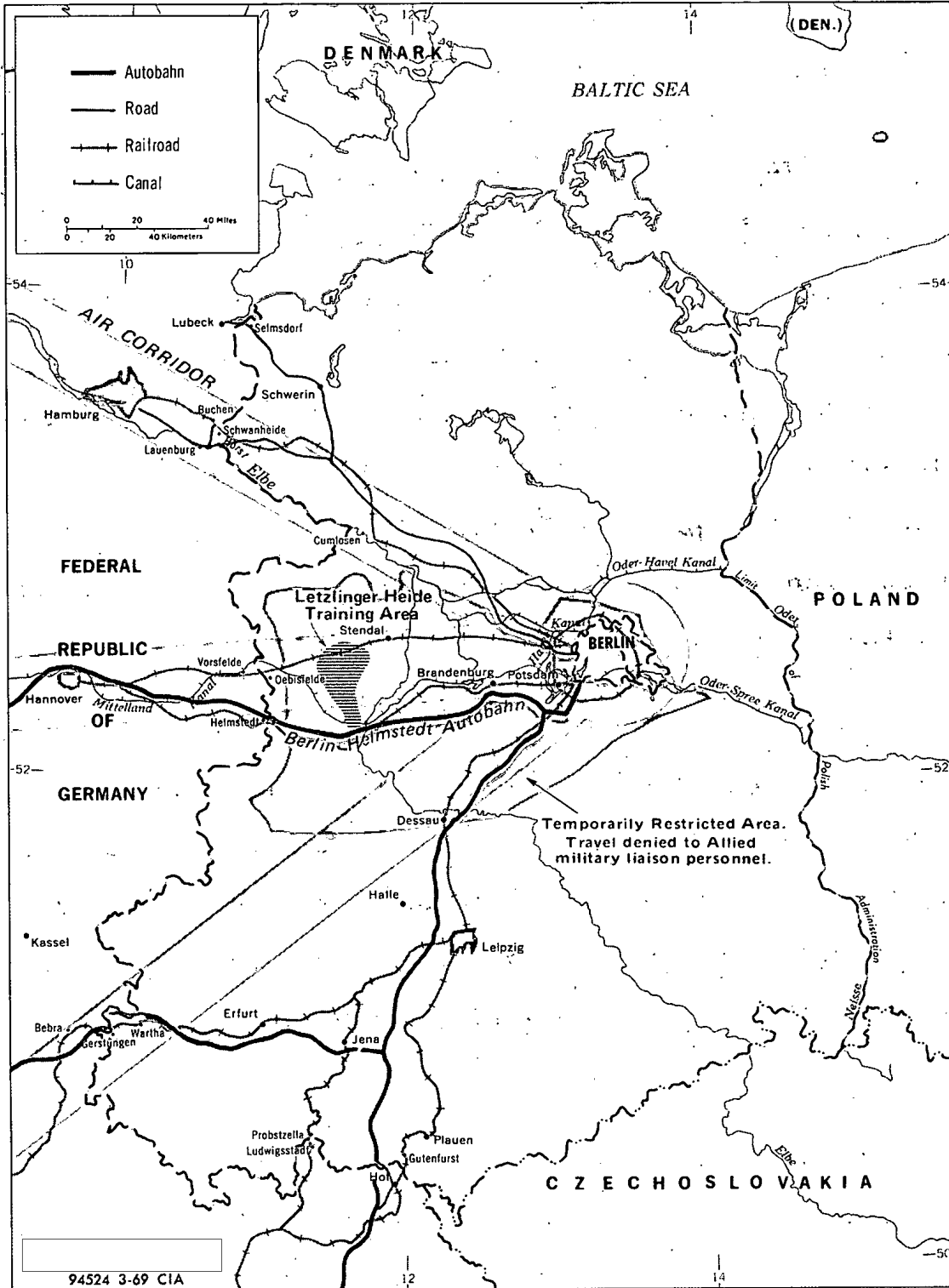
The First Secretary of the Soviet Embassy in Bonn yesterday suggested to the West German Foreign Office that one more attempt to contact the East Germans be made. He hinted he had reason to believe that a new contact might produce results satisfactory to Kiesinger. The Berlin Senat has authorized its representative to let the East Germans know he is available for further talks.

The chief Soviet controller in the Berlin Air Safety Center informed his allied counterparts yesterday that the Soviets will not guarantee the safety of aircraft carrying delegates to the Federal Assembly meeting. Delegates are booked on at least 144 flights to Berlin, most of which will leave West Germany today and tomorrow. The statement provides Moscow with a rationale for harassing the air corridors should it choose to do so.

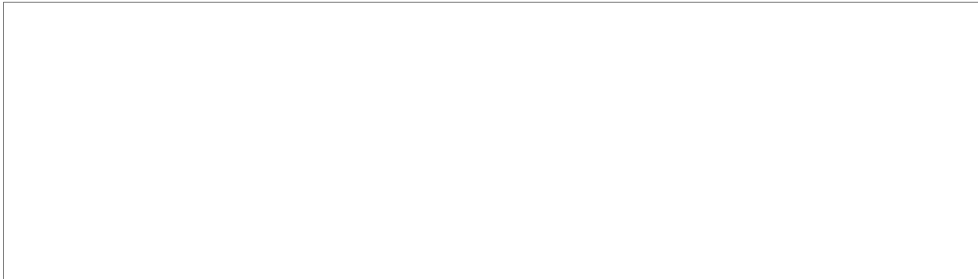


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Travel Restrictions Around Berlin



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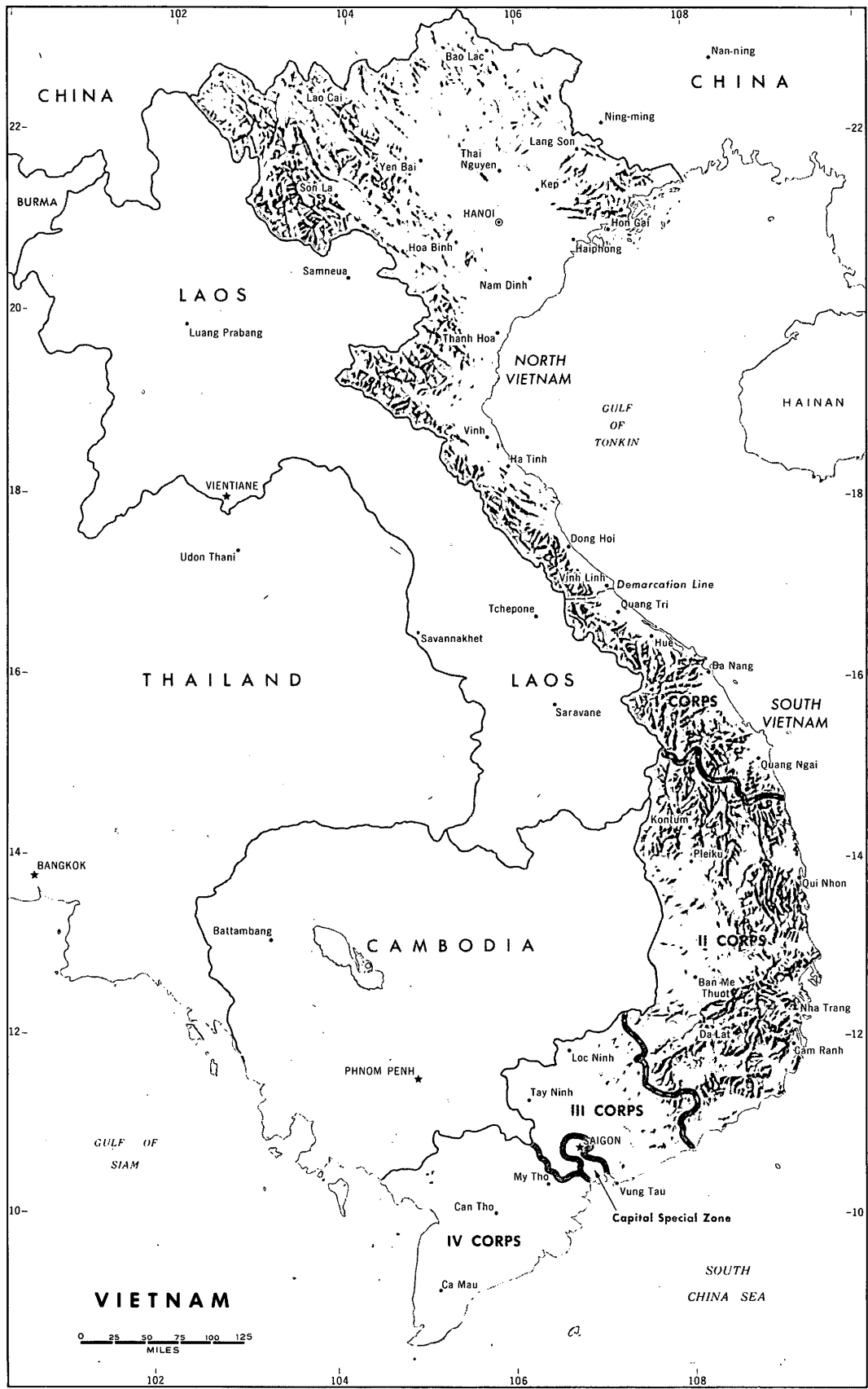


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The East Germans are continuing to delay traffic sporadically by slowing down processing. Thus far, Pankow has not turned back traffic, despite its stated intention of banning the transport of goods used for "military purposes."

The Berlin-Helmstedt autobahn was again closed yesterday for two hours. The East Germans attributed the action to Warsaw Pact military movements on the road. Police detained for over an hour a small US convoy outbound from Berlin. This morning, another convoy was stopped on the same road about 50 miles outside of Berlin.

Preparations for a major Soviet - East German exercise in the area west of Berlin are going forward. Units from as many as five Soviet and two East German divisions may take part in exercises centered in the Letzlinger Heide Training Area between Berlin and the West German border. Travelers on the Berlin-Helmstedt autobahn have reported large numbers of Soviet tanks and troops near the autobahn. There is no firm evidence that Soviet troop reinforcements have moved into East Germany for the exercise. Despite Soviet announcements that the exercises have begun, large-scale tactical exercise activity has not been detected.



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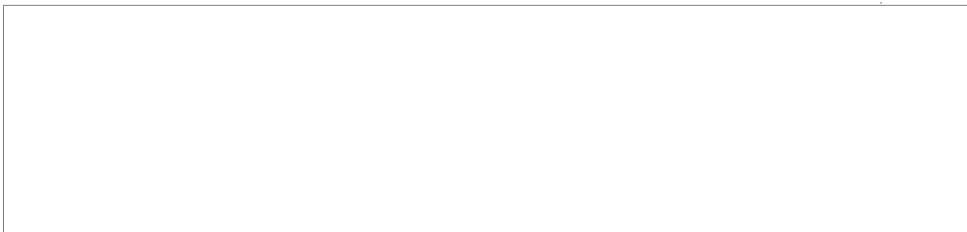
Soviet aircraft conducted mock low-level attacks in an area north of Berlin probably in preparation for ground support exercises in the temporary restricted area. Increased Soviet air activity, rather than the normal Sunday standdown, was noted yesterday in western East Germany.

VIETNAM

Enemy activity remained generally low over the last 24 hours. Scattered shellings and ground skirmishes declined to a level comparable with the pre-offensive period. The Communists continued for the most part to concentrate on military installations rather than urban centers, although 3 122-mm. rockets were fired into downtown Saigon this morning.

No further solid information has been developed as to when and where the Communists will commit the massive forces they have on hand for a possible second round. The principal enemy divisions threatening the Saigon area and the northern provinces are not yet showing any unusual activity, but they are still in a position to strike at any time with very little warning.

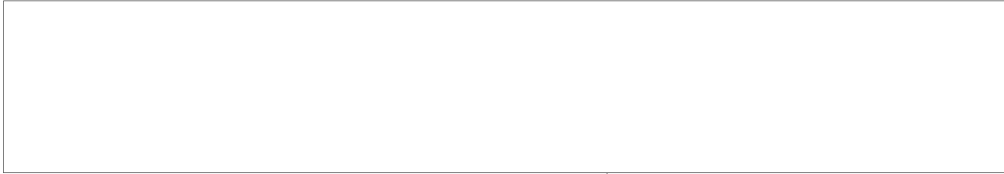
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II. OTHER IMPORTANT DEVELOPMENTS

SOVIET UNION - COMMUNIST CHINA

Tass reports that Chinese troops clashed yesterday with Soviet border guards on the Manchurian frontier north of Vladivostok. According to the Soviets, the Chinese crossed the border and fired at the Soviet guards, only to be driven back. Moscow and Peking have exchanged protest notes, and each side has accused the other of killing and wounding its troops.

The Soviets and Chinese have eyed each other warily across the frontier for years. The Chinese do not acknowledge Soviet sovereignty over bits of territory at several points along the border, and the incident probably took place in one of the disputed areas. There have been periodic encounters in recent years, but this is the first time within memory that either side has claimed military casualties.

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