

The President's Daily Brief

3 March 1970

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PRINCIPAL DEVELOPMENTS

Arana has a comfortable plurality in Guatemala's presidential elections, but it may be necessary for the legislature to select the next president. (Page 1)

Madrid plans to emphasize security guarantees during the negotiations on US bases in Spain. (Page 2)

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The Cambodian Government is concerned about Communist-led insurgency along its frontiers. (Page 4)

The East German politburo is divided over how to conduct the Brandt-Stoph talks. (Page 5)

FOR THE PRESIDENT ONLY

GUATEMALA

The returns from 313 of 325 municipalities indicate that rightist candidate Colonel Carlos Arana has a comfortable plurality but is short of a majority of the votes cast in the elections for President last Sunday. In the absence of a majority for any one candidate the constitution requires the congress to select the President from the two top vote-getters. The constitution does not, however, indicate when the unicameral legislature should elect the President or specify whether the incumbent or newly-elected legislature is responsible for the choice.

The congressional races show signs of independent vote splitting, and the final results are not yet available. The electoral registry, its performance handicapped by the shooting of the director last week, is in a state of confusion, and Arana is irritated by what he believes is a deliberate effort to stall the final tally.

Guatemala's electorate apparently was drawn to Arana's emphasis on the need for law and order. Acts of terrorism during the campaign, including the dramatic kidnaping of the foreign minister, underscored the government's inability to control violence and probably contributed to Arana's upset victory.

The presidential succession is not until 1 July and the intervening period will be delicate. If Arana does not receive a majority, the ill-defined provisions for the second-stage of the presidential elections will allow considerable room for disruptive political maneuvering.

SPAIN

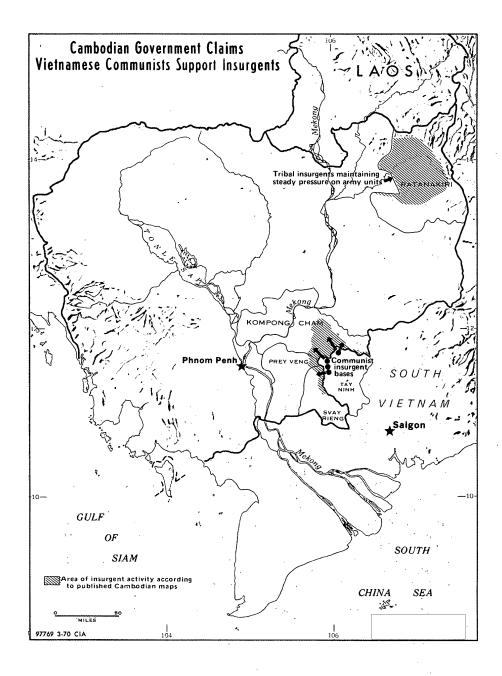
Spain intends to use a new approach in renegotiating the agreement for US bases. The Spanish ambassador told Assistant Secretary Hillenbrand last week that Madrid "has completely abandoned the idea of granting bases for money." Instead the new Spanish Government wants the US to assist it in obtaining "multilateral arrangements" as a means of getting protection from the risk the bases entail for Spain. The ambassador claimed he had the impression that Washington sees a solution based on Spanish association with NATO or with some new western Mediterranean organization.

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We know the Spaniards need additional financing for their armed forces, however, and despite the emphasis on a new approach, we expect the negotiations to be difficult.

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CAMBODIA

The government, in an article published in an official journal and attributed to Prime Minister Lon Nol, has been unusually explicit on Vietnamese Communist promotion of insurgency. Lon Nol charges that in three southeastern border provinces at least five Khmer Rouge guerrilla bands, aggregating about 450 men, are operating out of Viet Cong - controlled areas in South Vietnam. He asserts that they plan to extend their influence westward.

These guerrilla bands, the article alleges, are led by long-time Cambodian Communist Party members, some of whom were trained in North Vietnam. Some of the guerrillas are described as native Cambodians but most are said to belong to the ethnic Cambodian minority in South Vietnam.

It is not possible to vouch for the authenticity of these claims, but it has not been Cambodian practice to publish such material without something to back it up.

the Cambodians have encountered some insurgents in this area for at least two years. If the Vietnamese are involved, it is likely that they are using the insurgents to help establish and protect secure base areas on Cambodian soil. Hanoi has consistently assured Phnom Penh that it is not supporting the insurgents.

Whatever the facts of the matter, Phnom Penh takes the insurgency threat seriously.

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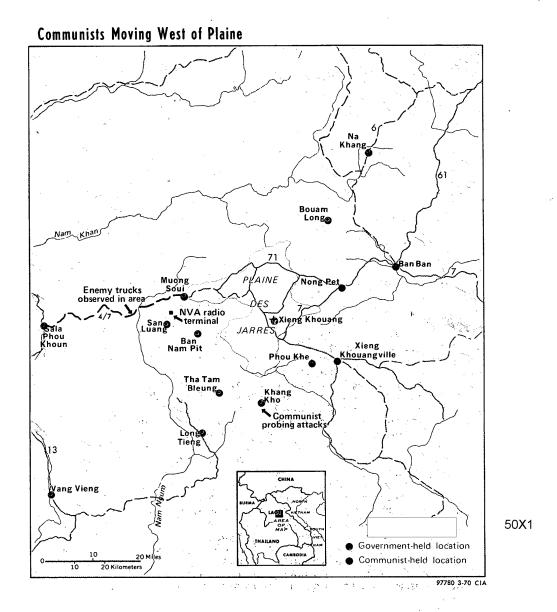
EAST GERMANY - WEST GERMANY

Horst Ehmke, a Minister in the West German Chancellery, told Ambassador Rush yesterday that a violent controversy had taken place within the East German politburo over the way the Brandt-Stoph talks should be handled. Politburo members Honecker and Norden, supported by a majority of the politburo, were adamantly opposed to Ulbricht's and Stoph's plan to conduct relatively businesslike talks with Brandt. The controversy was only resolved by Soviet Foreign Minister Gromyko, who traveled to East Germany to oblige the opposition to accept Ulbricht's proposal.

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NOTES

Laos: Government patrols recently have sighted enemy movements some 12 miles west of the former government base at Muong Soui. In addition, a North Vietnamese radio terminal associated with the 316th Division has appeared five miles southwest of Muong Soui. This is the second terminal to move into this area in the past week and the enemy may be considering attacks against the newly-strengthened government positions at San Luang and Ban Nam Pit. South of the Plaine the Communists continue to probe General Vang Pao's defenses in the Khang Kho area and may eventually strike the government outpost at Tha Tam Bleung.

USSR-China:		

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Austria: Both Socialist leader Kreisky and out-going Chancellor Klaus have voiced support for reviving the "Grand Coalition," which governed from 1945 to 1966, in the wake of Sunday's election which gave the Socialists a plurality for the first time. President Jonas is expected momentarily to ask Kreisky to form a government, a task which may be completed before the weekend. Foreign policy is not an issue between the two parties, and differences on domestic questions should not prove insurmountable. We expect a smooth transition of power which should not affect the forthcoming SALT talks in Vienna.

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