

The President's Daily Brief

14 April 1970 49 Top Secret 50X1

THE PRESIDENT'S DAILY BRIEF

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PRINCIPAL DEVELOPMENTS

The Soviet leadership clique probably will survive the stresses and strains noticed recently. (Page 1)

The Lon Nol government has turned in a creditable performance thus far, but the Communists have not yet demonstrated their real strength. (Page 2)

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Laos was quiet last night, but both sides are probing and testing each other while getting ready for more vigorous action. ($Page\ 5$)

At Annex we present an assessment of the divisive problems of the collective leadership in the USSR.

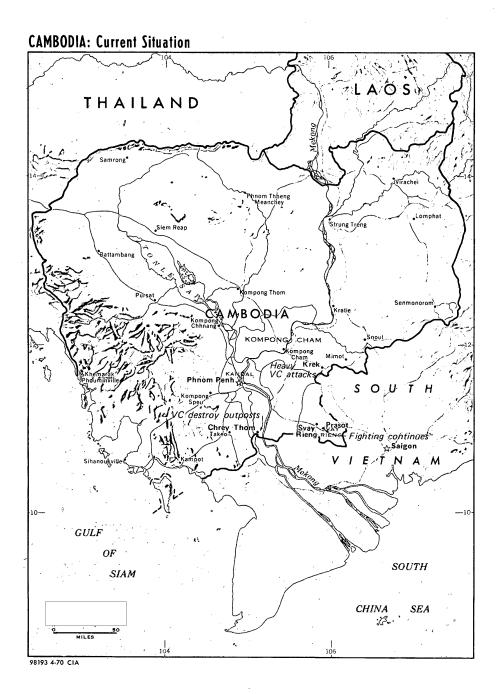
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USSR

Several current indicators tend to unde cent rumors that a major shakeup in the Sovi ership is about to occur. (Nevertheless, pr for change are growing, and are examined at	et lead- ressures
Shelepin, who appears to have lost gr public view last Friday.	
Rumors of a Central Committee plenum week proved to be false.	last
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We expect a largely ceremonial Central Committee meeting early next week as part of the celebration of the Lenin centennial. Unity will probably be maintained for this occasion.

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CAMBODIA

The new leaders in Phnom Penh have handled themselves with remarkable aplomb, but the crucial tests may still be before them. The spate of Communist attacks along the border in recent days once again raises the specter of an all-out Communist offensive. Because the Communists do not like to gamble, and because a heavy-handed attack against Cambodia would involve serious military and political losses, the odds are still against it.

The danger, however, is that the Communists may be driven to more forceful measures than they would otherwise wish to take. If the North Vietnamese become convinced that the Lon Nol government will not agree to some accommodation on bases and supply problems that they can live with, and if South Vietnamese forces continue to move across the border with Phnom Penh's tacit acquiescence if not active support, the Communists may then feel that they have no other choice but to move forcefully to restore Sihanouk.

Their current activity serves two purposes. It helps carve out larger areas of Communist influence in Cambodia, and at the same time it puts Phnom Penh on notice that it is in for rough treatment if it continues to be obdurate.

The Cambodians have suffered fresh setbacks along the border. Viet Cong forces attacked and destroyed seven small government outposts in Kandal Province on 12 April. In the largest action, over 40 government defenders were killed or wounded at the village of Chrey Thom. In Kompong Cham Province, heavy Viet Cong attacks against the Krek army garrison resulted in similar government losses. Near Prasot, in Svay Rieng Province, there were further clashes between Cambodian and Communist forces. According to an unconfirmed press report, the town of Svay Rieng came under artillery fire yesterday, but damage apparently was slight.

Cambodian army intercepts indicate that the Viet Cong have been arming local Vietnamese villagers in scattered areas along the eastern border.

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Such reports have contributed to the increasingly hostile attitude Phnom Penh is showing toward the Vietnamese community in Cambodia.

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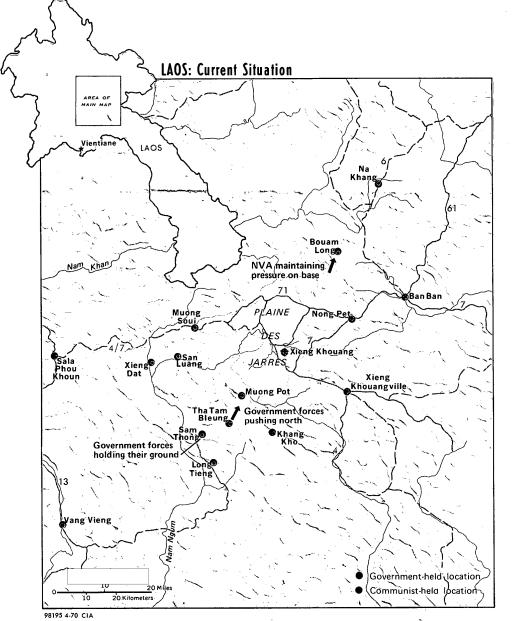
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LAOS

Only minor skirmishing was reported yesterday in the Sam Thong area, but the government's position there remains precarious. On 12 April government forces repulsed an attack by an estimated two North Vietnamese battalions. Vang Pao's forces are still holding the Sam Thong airstrip as well as the surrounding valley, but the enemy commands the high ground to the north.

Government forces have begun pushing north of Tha Tam Bleung. Advance elements have called in air strikes on a large enemy troop concentration near Muong Pot, and other government troops sweeping to the east have uncovered a sizable enemy cache of long-range rockets. The Communists remained active in the area between Tha Tam Bleung and Long Tieng, however, and overran at least one government hilltop position overnight.

Interrogation of a recently captured North Vietnamese private underscores some of the problems that have beset the Communists in northern Laos during the past few months.

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has taken a heavy toll of the battalion's experienced troops and that it now consists mostly of trainees and a few experienced officers.

In spite of these troubles, the battalion is still an effective fighting force. Two of its companies occupied part of Sam Thong early in April before being driven off. The battalion also may have been involved in the latest round of attacks against the base.

The Communists are maintaining pressure against the government base at Bouam Long, north of the Plaine des Jarres. The base and its surrounding outposts remain under heavy weapons and artillery fire as elements of the North Vietnamese 312th Division continue to close in.



N-class Nuclear-Powered Torpedo Attack Submarine

Soviet N-class submarine sinks from undetermined causes

Atlantic

Ocean

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NOTES

USSR: In Moscow late yesterday, TASS announced	. 50)X1
that the Soviet Navy will conduct exercises code- named OKEANin the Atlantic and Pacific.	¬ ·	
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USSR: press reports that a Soviet N-class nuclear-powered attack submarine sank from undetermined causes about 400 miles southwest of Ireland on 12 April. The crew apparently was saved by nearby Bulgarian and Soviet		50X1
merchant ships before the submarine went down. Thus far there has been no public announcement by the Soviets. Two years ago a G-class diesel submarine sank in the Pacific, the only other known loss in recent years.		
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Panama: General Torrijos has suggested that, to set the stage for canal treaty negotiations, the US could demonstrate its good will by making certain economic concessions, such as granting Panama the use of areas and facilities within the Zone. In a talk with Ambassador Sayre, he also asked whether Panamanian President Lakas could meet with President Nixon to work out an agreement on procedures and guidelines for negotiations. Although Torrijos no doubt sees significant political advantages in any economic benefits he can obtain, his suggestions may only be an opening position.

SOVIET LEADERSHIP

We continue to search the Soviet scene for clues to the situation within the politburo. Reliable evidence on this matter remains extremely limited, but our general sense of the situation is that the collective leadership will have trouble getting through 1970 intact.

The central problem remains the state of the Soviet economy. Its sluggish growth continues to preoccupy the Soviet leaders, who can no longer doubt that the technological gap between the USSR and the West is growing. This winter has provided an acute contrast between US Apollo successes and meat shortages in Soviet cities. At the same time, the leadership has few unambiguous successes to offset this record. Neither in relations with China and Eastern Europe nor in their dealings with the non-Communist world can they show great gains. Only in the competition in strategic weaponry can they claim to have improved the USSR's position, and even here pending US weapons programs threaten to wipe out their gains. The preparations for the Lenin centennial have had a hollow ring, and a new category of "Leniniana" political jokes is making the rounds of the population.

All the signs indicate that the party continues to reject the Western diagnosis that the Soviet-style command economy, while well suited for the tasks of industrial development, cannot cope effectively with the further demands of the current technological revolution. A series of timid reforms addressed to this problem has now run its course without bringing the hoped-for efficiency. In the conservative Moscow climate, however, this record has served to bring such reforms into disrepute rather than to commend bolder proposals. The difficulty is at bottom political; Czechoslovakia is read as an object lesson in how modern approaches to economic management quickly bring into question the Communist Party's monopoly of power.

This is the final year of the current five-year plan, and basic targets should long since have been decided for the next five-year period, now less than eight months away. Decisions on allocations are always contentious matters for Soviet leaders. Some of them, in addition to taking part in the policy-making collective, have executive responsibility for one or another sector of the economy. Success or failure in these fields can have a decisive effect on their careers. All have a rough approximation

of political "constituencies" on whom they depend for political support--regional leaders and/or such interest groups as the military or heavy industry. The lagging economy means that some hard infighting is necessary to protect each group's interest.

The politburo that faces these problems is an aging one—the oldest member is 71, the majority are in their 60s, and nearly all have recurring health problems. If we are right in our sense of increasing tension, then medical accident can play a major and unpredictable role in changing the alignments.

At the moment, the strongest position appears to be that of Brezhnev, who has escaped the ills to which flesh is heir this winter. So far as we can determine, none of the personnel changes--announced or merely rumored--of recent weeks has damaged his position, and several of them may have strengthened it. If politburo shifts are made in the next few months, we would expect him to have the major hand in them. He might move against the economic administrators headed by Kosygin as a means of blaming them for the faltering record of growth. The naming of the two provincial leaders, known to hold conservative economic views, to posts in Kosygin's bailiwick, even though planned since last fall, can be read in this light. Or Brezhnev might strike out against Shelepin, the perennial younger challenger (51) who seems to have been unable to protect one or two of his supporters in the recent reorganization of the propaganda apparatus.

Politburo changes engineered by Brezhnev would probably have little early effect on Soviet policy. Even now his is the strongest voice in this area, and if he disposed of one or a few of his colleagues, the consequences for decision-making would be minimal. Effective economic reform would stand even less of a chance, and, in view of Brezhnev's attentiveness to the military, the Soviet position on SALT might harden, although we doubt that it would be reversed. But the caution which is the hallmark of post-Khrushchev Soviet policy is characteristic of Brezhnev himself, and he apparently harbors no radical projects which a loosening of the bonds of collectivity would free him to launch.

The present leaders' combination of age, inertia, and rigidity, however, makes them vulnerable and imparts a special importance to the next party congress. That convocation, already overdue and now rumored for late fall, provides the occasion against

which all the current leaders must calculate their maneuvers. A new central committee will be elected at that meeting, and this poses a test of strength for each member of the politburo. The membership of the central committee registers, to an important degree, the positions of the top leaders and fixes them for the next phase of politics. The younger political leaders might decide loyally to await their turn-Polyansky appears to have adopted this posture-or they may be too impatient for that. Indeed, maneuvering in anticipation of the congress could precipitate major top-level changes well in advance of that event.

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