

# The President's Daily Brief

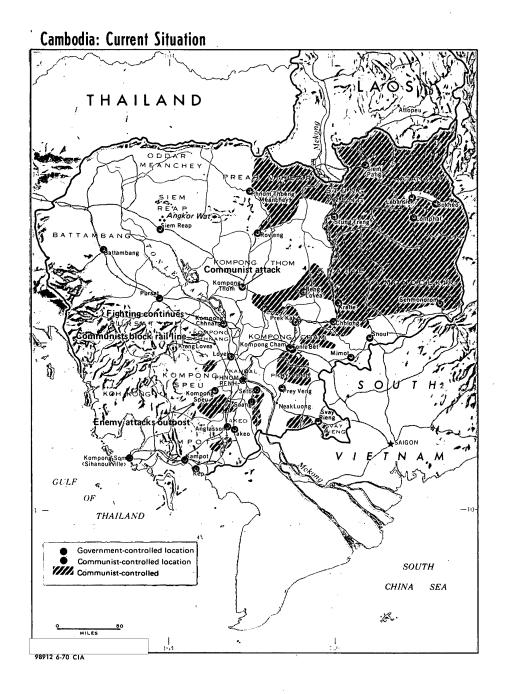
18 June 1970

27 Top Secret<sup>50X1</sup>

### THE PRESIDENT'S DAILY BRIEF

18 June 1970

PRINCIPAL DEVELOPMENTS	50X1
The situation in Cambodia is discussed on Page 1.	
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East German party chief Ulbricht is encouraging another round of talks with West Germany. (Page 5)	50 <b>X</b> 1
In Bonn	50 <b>&gt;</b> 50 <b>&gt;</b> 6
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#### CAMBODIA

The Communists made a second attack against Kompong Chhnang city yesterday, occupying some buildings on the outskirts of the city and the central market place.

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Elsewhere in the province, a Communist attack on the railroad station at Krang Lovea, 40 miles northwest of Phnom Penh, blocked the Bangkok - Phnom Penh rail line. Two trains were destroyed.

Kompong Speu city is back under government control, but according to late reports the Communists have attacked a military outpost on Route 4 some 45 miles southwest of Phnom Penh.

There was no significant fighting around Siem Reap yesterday, but the Communists made another mortar attack on Kompong Thom city.

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#### SOUTH VIETNAM

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Thieu intends to announce a cabinet reshuffle in a major speech today, and may also call for a reorganization of the military corps areas. Nha said Thieu would retain General Khiem as prime minister but would divest Khiem of his job as interior minister. Other changes anticipated by Thieu's secretary included replacement of the ministers of finance and economy.

Khiem has come in for a lot of criticism for alleged inaction on major problems. The economy and finance ministers have borne the brunt of the National Assembly's dissatisfaction with the government's handling of the country's serious economic problems. Thieu doubtless hopes that the infusion of new blood into these critical posts may speed Assembly passage of his request for special powers in the economic sector.

Also slated for removal, according to Nha, are the ministers of education and veterans affairs. But Thieu will balance this apparent concession to "reasonable" student and veteran leaders with announcement of a crackdown on militant agitators in both groups.

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FOR THE PRESIDENT ONLY

#### EAST GERMANY - WEST GERMANY

East German party leader Ulbricht has given a green light to another round of negotiations with West Germany. Ulbricht's forthcoming attitude was expressed in a speech before his central committee that met on 9-10 June. Although Ulbricht reiterated all of Pankow's timeworn demands, he did not set any preconditions for further negotiations with Bonn. Indeed, Ulbricht for the first time specifically stated that he hoped a third meeting between the heads of government would be held. Ulbricht also characterized the West German - Soviet talks as a "positive step" that could be beneficial to Bonn-Pankow relations.

Perhaps progress in the Moscow-Bonn dialogue has persuaded Ulbricht to adopt a more flexible position. Curiously enough, however, Ulbricht's speech was kept in cold storage for a week and not released to the press until 16 June. Apparently the East Germans did not want to be accused of interfering with the West German state elections or appear too anxious to pursue Ostpolitik. Since the election results were disappointing to the Brandt government, however, the East Germans may now reason that Bonn will need some encouragement. This fits with the tack taken by East German media, which have been lamenting Brandt's setback in the elections and attacking the concentration of "rightist forces" who oppose Brandt's foreign policies.

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USSR-Eqypt:		50X1 50X1