



*The President's Daily Brief*

*12 September 1970*

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FOR THE PRESIDENT ONLY

THE PRESIDENT'S DAILY BRIEF

12 September 1970

PRINCIPAL DEVELOPMENTS

Middle East developments are discussed on Page 1.

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Ambassador Habib's talk with Cambodian Government representative Son Sann is discussed on Page 5.

The bill to permit President Thieu to take special action on economic matters is expected to reach the Senate floor next week. (Page 7)

In Chile, the Popular Unity forces are moving to consolidate their position. (Page 8)

[redacted]

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[redacted] (Page 10)

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In Laos, Communist forces are reacting more strongly to Vang Pao's rainy season offensive. (Page 11)

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## MIDDLE EAST

The Popular Front for the Liberation of Palestine (PFLP) may be backing off from its agreement last evening to have all passengers from the hijacked planes brought to Amman where they would be placed under the protection of the Palestine Liberation Organization (PLO). According to late press reports the PFLP is now willing to let only 60 women and children leave the planes. A delegation from the PLO central committee which went to the landing strip last night to bring in the hostages was said to have been turned back by the PFLP, whose leaders are meeting at the airstrip this morning. The proposal to transfer all passengers to Amman was made originally yesterday morning by the central committee of the PLO, with which the PFLP is loosely associated. According to the PLO announcement the proposal was made for humanitarian reasons and to stave off foreign intervention in Jordan under pretext of rescuing the hostages.

The PLO--with or without the concurrence of the PFLP--has publicly announced a new offer for the release of the hostages. In return for a pledge by West Germany, Switzerland, and Britain to free the seven commandos they now hold, the PLO would release all passengers with the exception of Israelis "with military status." The three aircraft and their crews would be released when the commandos actually arrive in any Arab country. The remaining Israeli passengers would be kept in Amman until Israel agreed to free a number--to be negotiated--of fedayeen imprisoned in Israel. Representatives of the five governments involved met in Bern yesterday to consider the latest fedayeen proposal, but have adopted no final position.

Meanwhile, 66 of the women and children allowed off the planes earlier in the week--about 40 of them Americans--were evacuated from Amman to Cyprus yesterday. According to Red Cross representative Rochat, the PFLP concurred in their evacuation with no conditions attached. About 60 additional women and children remain to be evacuated, presumably some time today. A group of 22 passengers from the BOAC plane brought into Amman on 10 September also departed Jordan privately yesterday; a second BOAC group of about the same size arrived in Amman on Friday.

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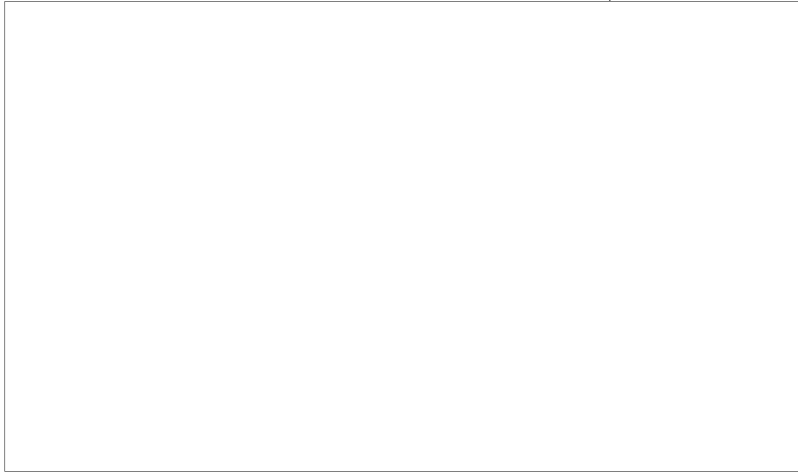
The Jordanian Government has told the PFLP that once the hostages arrive in Amman they will be under the jurisdiction and control of Jordanian authorities, who will proceed with their evacuation. According to Zaid Rifai, the chief of the Jordanian royal court, the government made it clear that if the fedayeen carried out their threat to blow up the aircraft and the passengers, Jordan would undertake a "wholesale assault" upon the fedayeen movement. It is not clear whether the government and the fedayeen have succeeded in ironing out the problem of the custody of the hostages.

Amman has been generally quiet since the announcement of the latest cease-fire last Thursday, although there are reports of occasional gunfire. Joint fedayeen and Jordanian Army patrols have been circulating throughout the city calling upon people to resume their normal activities.

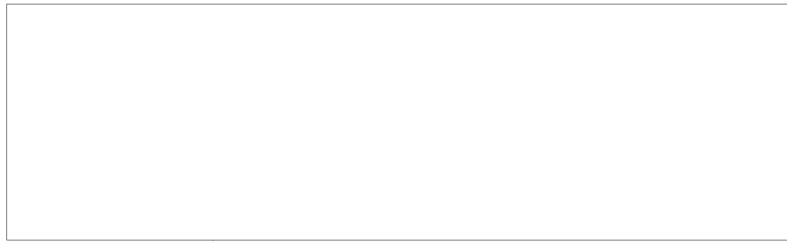
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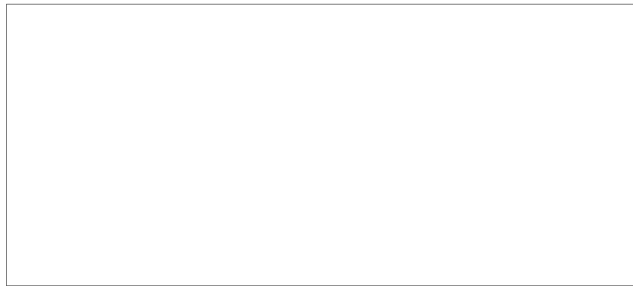
COMMUNIST CHINA



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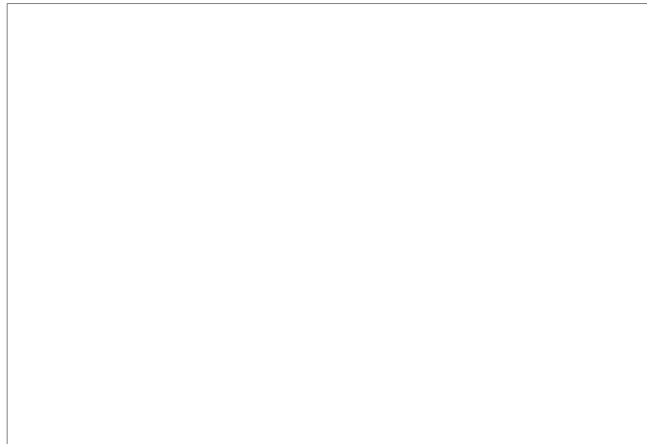
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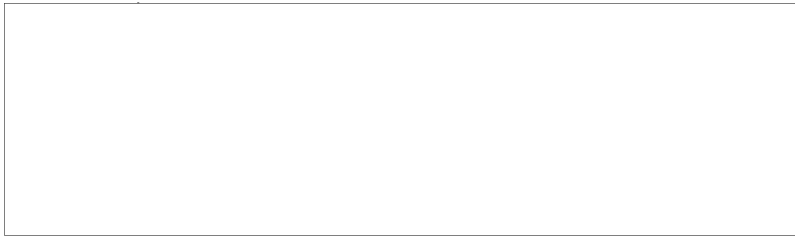
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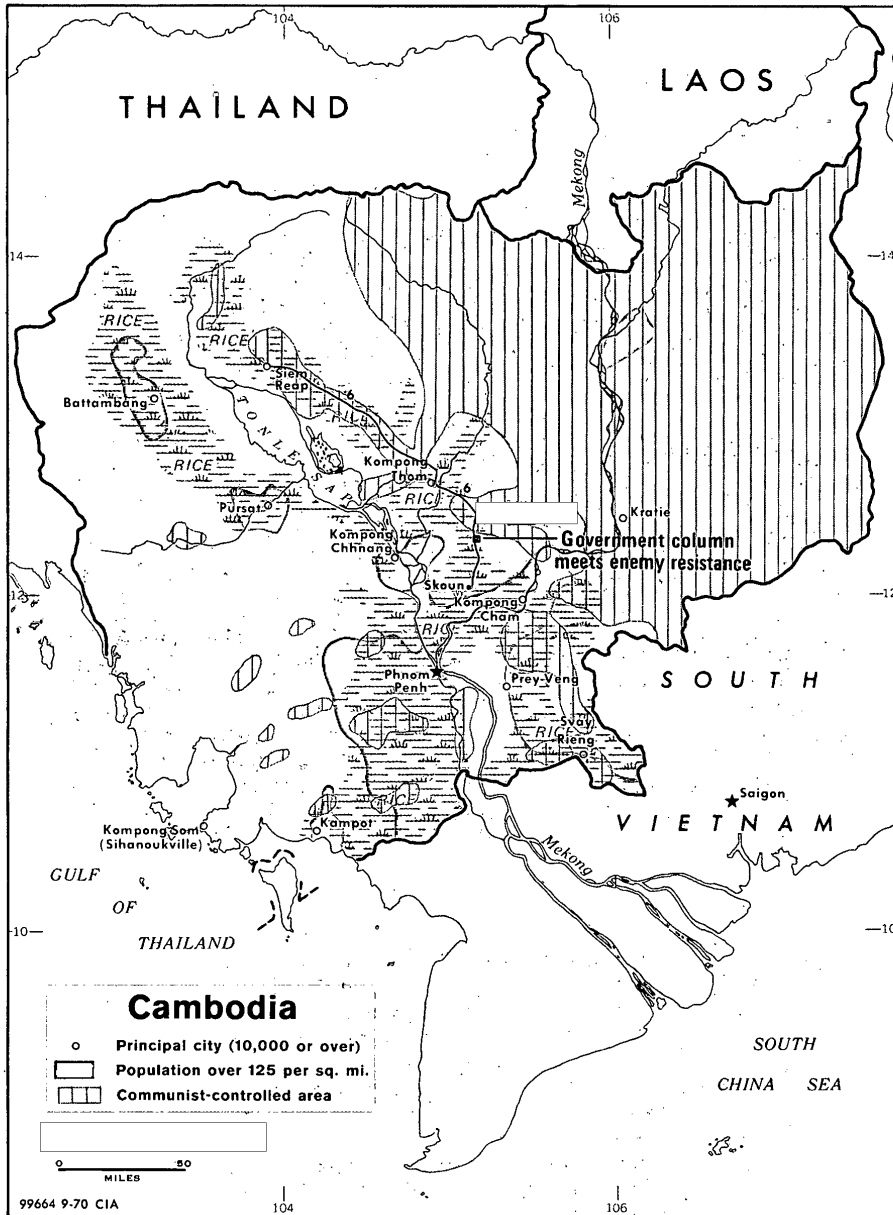


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### Current Situation



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CAMBODIA

Government troops, now about 15 miles from Skoun on the road to Kompong Thom, have met their first significant enemy resistance. Air strikes were called in on a Communist force dug in near the government column. Elements of the Viet Cong 275th Regiment may be involved in this action.

\* \* \*

Ambassador Habib saw Son Sann, a former prime minister and long one of Sihanouk's top advisers, in Paris Wednesday. Sann confirmed [redacted]

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[redacted] that he is in Paris as an "unofficial" representative of the Lon Nol government to make "soundings" on the possibility of a peaceful settlement.

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Sann indicated that Lon Nol has him on a short leash, however. In an interview prior to his departure from Phnom Penh, Lon Nol instructed him to make no commitments that would "weaken their position" and prohibited him from making direct contact with the Chinese Communists or the Vietnamese Communists. Sann's statements indicate that Lon Nol is still holding to the line that all foreign forces must vacate Cambodian territory, a position that contributed to the breakdown in talks with the Communists just after Sihanouk's ouster. It is not clear from Sann's remarks if his "soundings" are to determine whether the Communists are now ready to throw in the towel, or whether they indicate that Lon Nol may be more accommodating than he was last April. Sann told Habib that he intended to get in touch with Russian Ambassador Zorin and would make indirect soundings with the Vietnamese Communists in Paris through some of Sann's contacts.

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Sann also said he had hopes of getting in touch with his old friend Penn Nouth, who is now Sihanouk's "prime minister." [redacted]

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[redacted] Sann told Habib that Nouth had invited him to Communist China for discussions. He said, however, that Lon Nol had vetoed a trip there. Sann apparently still hopes that some reconciliation between Sihanouk and Lon Nol is possible, but he clearly does not rate the chances as good.

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On a personal basis, Sann expressed grief over the effects of the war on Cambodia. He said he had concluded that an effort had to be made to bring a cease-fire to the countryside. He expressed concern that Lon Nol was overly optimistic about the military prospects and was reluctant to look for some political way out. He gave no indication, however, that his sentiments were shared by any of the top leaders in Phnom Penh.

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SOUTH VIETNAM

The bill to permit Thieu to take special actions in the critical economic field is expected to reach the Senate floor next week, but in emasculated form. The Upper House finance committee has eliminated all of its provisions except the "parallel market" reform, which would in effect result in a partial devaluation of the piaster by authorizing a dual exchange rate.

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The Upper House probably will approve the committee's version by 26 September [redacted]

[redacted] The Lower House has approved a broader measure. The US Embassy expects that both it and President Thieu will accept the Upper House bill without changes.

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*Thieu had indicated that, if necessary, he would yield on his request for other special powers in order to get the National Assembly behind him on such a potentially unpopular measure as a partial devaluation.* [redacted]

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[redacted]

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CHILE

The Communist Party is moving to extend its power in key areas and to intimidate actual or potential opponents. The Communists are using their control of most of the 8,000 local Popular Unity committees organized to support Allende's campaign. They have already asserted their influence in many TV and radio stations, communications facilities, and universities. More or less specific threats have been made against influential publishers. A mass rally this weekend to celebrate Allende's victory may be a part of this intimidation process.

Allende, on the other hand, has adopted a more soothing line. He is probably aware that reaction against heavy-handed tactics could jeopardize his progress toward the presidency. In a nationwide address on Wednesday he praised the armed forces and national police and their dedication to constitutional obligations.

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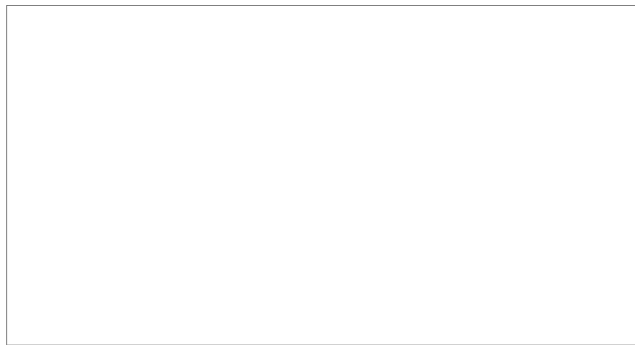
Leaders of both the military and the large Christian Democratic Party fear that a reversal of the Allende victory would set off extensive and possibly uncontrollable violence. This fear also affects their attitude toward plans to thwart Allende through congressional maneuvers.

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EGYPT



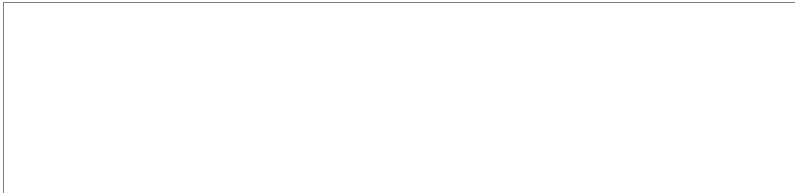
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EGYPT-USSR



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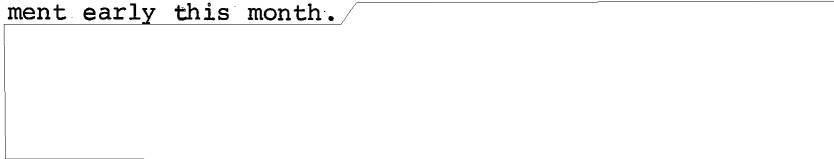


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NOTES

Laos: Communist forces are now reacting more strongly to Vang Pao's rainy season operations west of the Plaine des Jarres. On 10 September two enemy battalions dislodged government guerrillas from key terrain positions they had just occupied near the Communist-controlled town of Muong Soui. Several days earlier, two North Vietnamese companies drove another group of guerrillas from San Luang, a town southwest of Muong Soui that had been captured by the government early this month.



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Israel



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