

The President's Daily Brief

6 July 1971

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FOR THE PRESIDENT ONLY

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PRINCIPAL DEVELOPMENTS

North Vietnam's major dry season infiltration effort appears to be winding down; only 5,400 new infiltrators were detected in June. *(Page 1)*

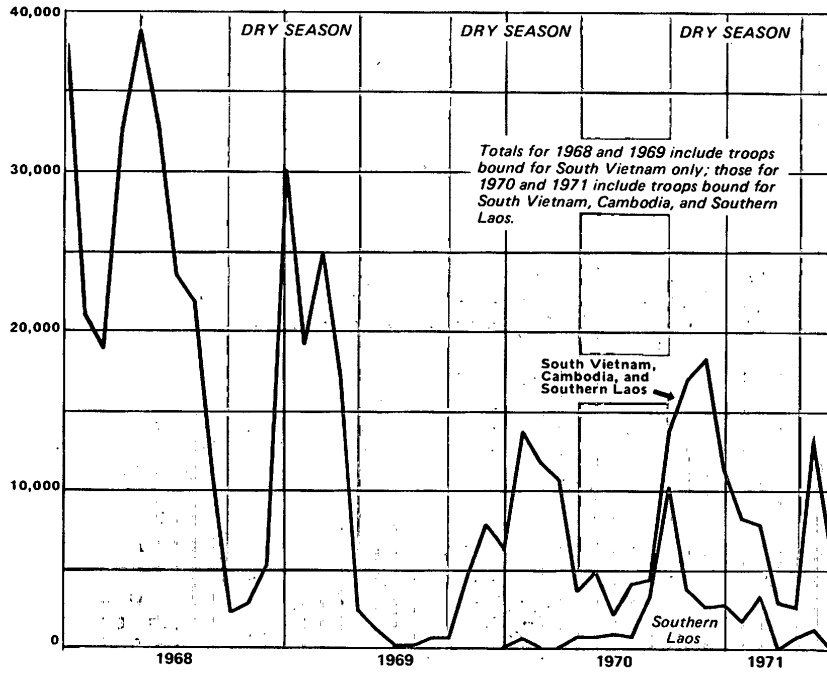
Peking has dramatized its support of Hanoi's latest peace initiative with an exceptionally prompt endorsement of the seven-point proposal. *(Page 2)*

Peking has defined its terms for diplomatic relations with Japan, stressing the Taiwan issue. *(Page 3)*

Yesterday's Japanese cabinet changes strengthen the position of Sato's heir-apparent, Takeo Fukuda. *(Page 4)*

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Infiltration Starts from North Vietnam



	1968 SVN	1969 SVN	1970 SVN, Cambodia, and Southern Laos	Southern Laos	1971 SVN, Cambodia, and Southern Laos	Southern Laos
JAN	21,000	19,200	13,700	100	8,200	1,700
FEB	18,900	25,000	11,700	---	7,800	3,400
MAR	32,600	17,100	10,600	---	2,900	---
APR	38,900	2,300	3,600	700	2,700	800
MAY	32,800	1,100	4,900	700	13,800	1,300
JUN	23,500	100	2,100	900	5,400	---
JUL	21,800	100	4,100	700	---	---
AUG	11,000	600	4,400	3,300	---	---
SEP	2,200	600	13,800	10,200	---	---
OCT	2,800	4,500	17,100	3,700	---	---
NOV	5,200	7,800	18,400	2,600	---	---
DEC	30,100	6,200	11,400	2,800	---	---

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INDOCHINA

Only 5,400 new North Vietnamese infiltrators were detected moving through southern Laos in June.

[redacted] nearly 5,000 of these are headed for the northern half of South Vietnam, with the remainder going to the southern half or to Cambodia.

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The June pattern suggests that this year's major dry season infiltration effort is winding down. It is fairly typical for Hanoi to get the majority of the troops destined for the southern regions started early, so that most of those who are moving at the end of the dry season and into the rainy season are going to areas closer to the North.

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[redacted] the processing of stragglers from earlier groups is also characteristic of a concluding phase of infiltration.

Hanoi may try to keep infiltration moving at least sporadically during the rainy season, particularly if it hopes to prolong the current offensive in northern South Vietnam. Moreover, some 20 gaps in the numbering series of recent infiltration groups--possibly representing some 11,400 troops--could mean that the missing groups will turn up on the trails later in the summer.

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COMMUNIST CHINA - NORTH VIETNAM

Dramatizing Peking's close support of Hanoi's new peace initiative, the authoritative People's Daily carried an editorial on 3 July endorsing the Vietnamese Communists' seven-point proposal as the "correct way for the peaceful settlement of the Vietnam question." This exceptionally prompt reaction suggests that Hanoi coordinated its new move with Peking in advance. The Chinese waited five months before acknowledging the ten-point plan proposed by the Vietnamese in May 1969 and delayed for three months their endorsement of the Communists' eight-point plan of last September.

Also over the weekend, the Chinese signed their second supplemental military aid agreement of the year with the Vietnamese, under which Peking will supply unspecified equipment and materials on a grant basis. The normal military aid pact for 1971 was signed last October, and the first supplementary agreement was reached in February.

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COMMUNIST CHINA - JAPAN

A joint communiqué concluding the Peking visit of a delegation of the Buddhist-based Komeito party spelled out five conditions for establishing Sino-Japanese diplomatic relations: Japanese recognition that China is one and the People's Republic its sole legitimate government, that Taiwan is a province of China, that the Japanese - Nationalist Chinese treaty of 1951 is invalid, that US military forces must be withdrawn from Taiwan and the Taiwan Strait, and that Peking must be seated in all UN organs and Chiang Kai-shek's representatives expelled. If these conditions were met, the Chinese held out the prospect of a peace treaty and even the possibility of a non-aggression pact.

By defining its terms for recognition, Peking hopes to capitalize on widespread sentiment in Japan for closer ties with the mainland and make it more difficult for the Sato government to follow a "two Chinas" course, especially in the UN General Assembly voting this autumn. The stress on the Taiwan issue in the communiqué suggests that the Chinese consider that other Sino-Japanese irritants, such as the US-Japan Security Treaty and Japanese "remilitarization," are not major obstacles to restoring diplomatic relations.

FOR THE PRESIDENT ONLY

JAPAN

The sweeping cabinet changes announced yesterday further strengthen the position of Sato's heir-apparent, Takeo Fukuda, who was moved from the Finance to the Foreign Ministry. At the same time one of Fukuda's main backers was named secretary general of the governing Liberal Democratic Party, a post vacated last week by Fukuda's chief rival following the party's poor showing in the Upper House elections of 27 June. Another shift moved defense chief Nakasone to a party job where he can broaden his base of support for a future bid for the prime ministership.

The government's weak election performance almost certainly precipitated more extensive changes than were planned a few weeks ago. It had been expected, for example, that Foreign Minister Aichi would be retained in order to present the Okinawa reversion agreement to the Diet this fall.

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NOTES

South Vietnam: Vice President Ky announced yesterday that Truong Vinh Le, a prominent southern Catholic politician, will be his running mate in the presidential election on 3 October. Le, who was chairman of the National Assembly in the last four years of the Diem government, narrowly missed election to the Senate last August when he headed a Thieu-backed list of Catholic moderates. Le's selection will probably bring Ky support from some southerners, Catholics, and splinter groups that would otherwise vote for Thieu, and indicates that Ky will continue to try to weaken Thieu's bid for re-election by raiding his former supporters.

Pakistan:



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Indonesia: Initial returns from Saturday's parliamentary elections show the government party, Sekber Golkar, running well ahead. The Suharto government's apparent victory will put it in a stronger position to press forward with its priority programs--economic improvement and a political restructuring aimed at forging a single mass party and bridging the social and religious cleavages that have marked the traditional parties.

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