



The President's Daily Brief

28 January 1972

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THE PRESIDENT'S DAILY BRIEF

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PRINCIPAL DEVELOPMENTS

Hanoi's, Moscow's, and Peking's initial reactions to the President's peace proposal are reported on *Page 1*.

Egyptian President Sadat's forthcoming trip to Moscow seems mainly designed to divert domestic criticism away from himself. (*Page 3*)

During his visit to Japan, Gromyko succeeded in improving the atmosphere between Moscow and Tokyo. (*Page 4*)

India has set a number of preconditions that Pakistan must meet before peace talks can begin. (*Page 5*)

On *Page 7*, we report on the efforts of the Cambodian Communists to build their movement.

At *Annex*, we discuss Cuba's changing relations with the governments of Latin America.

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NORTH VIETNAM - US

In its initial reaction to President Nixon's peace proposal, Hanoi has reserved most of its comment and vituperation for the provisions calling for open elections in South Vietnam under a caretaker government. Only with respect to this part of the proposal have the North Vietnamese discussed any of the specifics outlined by the President. According to a Radio Hanoi commentary on 25 January, Thieu's resignation would still leave his "lackeys" in control of an election, while US troops--even though in the process of withdrawing--would still be in South Vietnam to help maintain Thieu and keep the war going.

Other aspects of the President's peace plan have either been ignored in North Vietnamese public pronouncements or have drawn a standard denunciation. No mention has been made in the North Vietnamese press or by Communist spokesmen in Paris of the proposal for international supervision of the proposed elections--a notion which the Communists themselves endorsed in their ten-point peace package two years ago. Nor has Hanoi made any effort to relate the POW issue to the new proposal. Instead, the North Vietnamese have reasserted their demand for a withdrawal of all American forces under a set deadline and US abandonment of the Thieu government in return for the prisoners' release. The North Vietnamese have termed unacceptable the President's call for a cease-fire throughout Indochina, claiming that it would deprive the peoples of Indochina of their right to self-defense and self-determination.

None of Hanoi's public pronouncements can be read as rejecting the proposal out of hand. At the very least the North Vietnamese may still be debating how to respond publicly to the initiative and avoid giving the impression that they are the primary roadblock in the way of substantive negotiations.

There has been no authoritative Soviet comment on the President's proposal, and what little treatment there has been of the subject has been essentially negative. TASS failed to carry its normally prompt news report of the President's address and did not issue its first independent commentary until after the initial Vietnamese reaction had become known. In that commentary, the Soviets complained of the President's failure to set a date for total

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US withdrawal and berated him for "trying to conduct the Paris talks from a position of strength." Yesterday afternoon a Moscow Radio commentator broadcasting in English called the proposal "nothing new," and characterized it a "propaganda stunt." Much of his denunciation followed the lines taken by the North Vietnamese.

Peking's only reaction so far has been to republish without comment the responses of Hanoi, the Provisional Revolutionary Government of South Vietnam, and Pyongyang, suggesting that the Chinese have not decided on what line to take.

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EGYPT-USSR

President Sadat's coming visit to the USSR and "other friendly states" appears mainly inspired by a need to undercut domestic critics of his inaction in the Middle East impasse. The trip is vaguely scheduled for sometime after this week, perhaps to give Sadat time to ensure that domestic unrest is under control prior to his departure. Although the recent student demonstrations are the only clearly visible manifestation of malaise in Egypt, other groups may share some of the students' unhappiness.

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While in Moscow, Sadat can be expected to stress again his need for more tangible proof of Soviet commitment to the recovery of the occupied territories. On this occasion, the Egyptian President will certainly argue that US deliveries of additional Phantom jets to Israel require a response in kind from the USSR.

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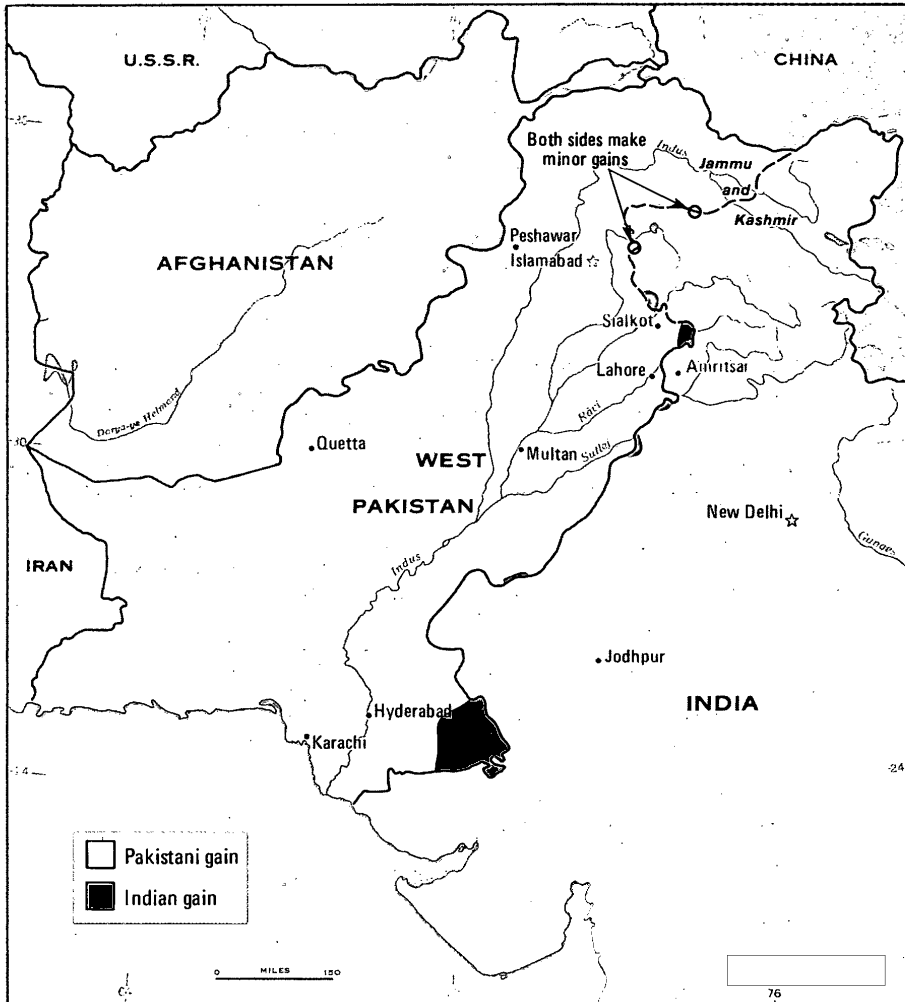
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USSR-JAPAN

During his visit to Tokyo, Gromyko seems to have succeeded in creating a favorable atmosphere for future contacts between the USSR and Japan. While he was there, the Japanese Foreign Ministry tried to create the public impression that the two sides could agree to exchange visits of heads of government in the coming year and to begin negotiations on a peace treaty. The communiqué was equivocal on these points, however, stating that the USSR and Japan "expect" the visits to take place and "favor" peace talks.

Japan has hitherto insisted that negotiations for a peace treaty could not be held without Soviet willingness to discuss the problem of the Northern Territories--the four islands occupied by the Soviets after the Second World War. Thus Gromyko may privately have shown signs of flexibility on this issue, although no mention of this was made in the communiqué. Previously the Soviet position has been that the problem of the Northern Territories was a "closed matter," but at a press conference today Gromyko appeared to acknowledge that a solution to this problem was a prerequisite to the signing of the treaty.



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INDIA-PAKISTAN

India has established a number of prerequisites that must be met before serious peace talks with Pakistan can begin. Foreign Minister Swaran Singh has claimed [redacted] the Indians do not rule out the possibility that the Pakistani military might overthrow President Bhutto and initiate another war. Consequently, he said, they will seek to ensure that Pakistan does not maintain a military capability sufficient to threaten India's security.

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In order to survive as President, Bhutto cannot appear to be using an Indian yardstick to determine his country's military strength levels. He is already under pressure from his army commander in chief, General Gul Hasan, who recently told the acting head of the US Mission in Islamabad that he wants to maintain the level of the Pakistani Army at about prewar size, despite the loss of the east. Hasan believes such a strength level is necessary to serve as a credible deterrent against India, and claims to have Bhutto's concurrence for such an effort.

Indian spokesmen have made it plain that, while they are willing to return territory captured in West Pakistan, Islamabad first must indicate its willingness to relinquish claims to Indian-held Kashmir and make "mutually acceptable" rectifications of the 1949 Kashmir cease-fire line so as to stabilize the border situation. According to Singh, India will maintain a high state of readiness on the western front; its troops will not be withdrawn behind prewar boundaries until a comprehensive settlement has been negotiated.

The presence of these forces will make it difficult for Bhutto to meet Mrs. Gandhi's demand that he abandon a "policy of confrontation." In any case, Bhutto would have great difficulty in accepting preconditions that included relinquishing Pakistan's claims, however theoretical, to Indian-held Kashmir.

Meanwhile, Bhutto is under considerable domestic pressure to effect the release of some 90,000 West Pakistani prisoners of war. New Delhi insists that the prisoners are held jointly with Bangladesh and that Bhutto must also deal with the Bengalis on the issue.

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Bhutto will find it difficult to do this as long as Indian troops remain in Bangladesh, and India will probably not completely withdraw its forces for several months. The return of the prisoners is also complicated by Bhutto's inability at this time to "accept the reality of Bangladesh," as demanded by the Indians, even though this problem may ultimately be solved on a practical rather than an official basis.

If the Indians persist in posing rigid preconditions, Bhutto may feel compelled to take a more strident nationalistic, anti-Indian position in order to placate the military.

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CAMBODIA

Since Sihanouk's ouster, the Vietnamese Communists have borne the brunt of the fighting in Cambodia, while the Khmer Communists have been working hard to build up their movement. The Khmer Communists now are some 15,000 to 30,000 strong and engage mostly in small-scale attacks and rear service activities in support of the Vietnamese. A recent Khmer message gives us a fairly good picture of their organizational plans and problems, particularly with regard to the Phnom Penh area.

--The Communists are stressing the formation of additional battalions and companies, possibly at the provincial and district levels.

--They may be forming some artillery units.

--They hope to increase recruitment and intelligence activities in areas south of Route 4 and just north of Phnom Penh.

--With regard to the capital itself, the Communist aim is to isolate the city even further and to increase sabotage and political agitation within the city to take advantage of the disarray in the Lon Nol government.

--To overcome organizational problems in the capital area, the Khmer Communists are considering creating a new region to include the city and its environs and a "committee" for the city itself.

Cryptic references in the message to "dis-agreements" [redacted] there are political problems both within the Khmer Communist movement and between the Khmer and the Vietnamese Communists.

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NOTE

Malta-UK-NATO: Lord Carrington told Ambassador Annenberg on 25 January that London regards a number of bilateral issues as potential rupture points in the negotiations with Malta. The British have misgivings about the dependability of any agreement with Mintoff and do not want to leave loose ends that would allow him to cause trouble later. Carrington stated that, if Mintoff cannot soon be brought to terms, London tentatively had decided to halt its negotiations and leave it up to some other NATO member to carry on. In that event, London would complete the withdrawal of all its troops from the island.

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CUBA'S CHANGING RELATIONS WITH LATIN AMERICA

Fidel Castro has greatly modified his aggressive tactics toward the rest of Latin America over the past four years. He is now engaged in a more conventional pursuit of closer economic and political ties with selected countries in the region. His new policy results primarily from the repeated failures of Cuba's previous attempts to foster subversion and insurrection, culminating in Che Guevara's death in Bolivia in 1967. The stress on exporting revolution was also diverting Cuba from its mounting problems at home, particularly the mismanagement of its economy. Castro had also come under Soviet pressure to reduce his external adventures, which Moscow saw as both unrealistic and damaging to its own strategy for increasing Communist influence in the area.

Castro's new approach has benefited not only from the fervent and frequently anti-Yankee nationalism of Latin American states generally, but more specifically from the accession to power of "independent" or leftist regimes in Peru, Bolivia (at least until August 1971), Chile, Panama, and Ecuador. By providing the leaders of such regimes with a convenient means of demonstrating their "leftism" or their independence of the US, Castro's overtures have enabled him to regain a measure of respectability in Latin America. With the passage of time, fear of Cuban subversion in many other countries throughout the area has also diminished. Both of these factors have tended to undermine the economic and political sanctions imposed on Cuba by the OAS.

Castro is working hard to capitalize on this trend, but this does not mean he has completely stopped all support for revolutionary movements abroad.

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It is highly unlikely that Castro is prepared to risk what he has gained through his new policy by reverting at any time in the near future to all-out emphasis on the fomenting of violence.

Castro's trip to Chile last fall, with stopovers in Peru and Ecuador, provides the most dramatic evidence that he is seeking ways under his new policy to advance his gains and reduce Cuba's isolation from the rest of the hemisphere. Apart from this trip,

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most of Castro's actions have taken the form of exchanges of athletic teams, cultural groups, and agricultural delegations, and these are likely to remain the cornerstone of his efforts. Offices of the Cuban news agency, Prensa Latina, are already located in Chile, Peru, Ecuador, Mexico, and Venezuela, and more may be established in other nations as well. Cuba may try to follow up such contacts with trade offers, aimed at the gradual establishment of permanent trade missions just short of formal diplomatic relations. Moves in this direction, however, are likely to remain selective. Castro stated during his visit to Chile that Cuba is "not desperate to normalize relations with other Latin American countries," indicating that his basic criterion for establishing diplomatic relations will be that a country's foreign policy is independent of US influence.

Cuba now has stronger ties with Chile than with any other nation in the hemisphere. Since the inauguration of President Allende, Cuba and Chile have re-established diplomatic relations, signed a two-year trade agreement and a bilateral civil air accord, and exchanged numerous cultural, agricultural, and commercial delegations. Castro will work to strengthen this relationship, probably through increased contacts and cooperation between the various agencies of the two governments.

Castro is also trying to expand Cuba's ties with Peru. Although Peru has been compelled, for the time being, to shelve its initiative in the OAS to permit individual member states to re-establish relations with Cuba, Lima is likely to normalize relations with Havana before the end of the year.



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Castro has been currying favor with Panama by publicly supporting its position against that of the US in the canal talks. The outcome of the talks is of intense interest to Castro, not only because of the impact a settlement will have on US influence in the area, but because an agreement favorable to Panama could serve Castro as a convenient tool for pressuring the US to get out of Guantanamo. Torrijos, for his part, is probably using his dalliance with Cuba both as a manifestation of his independence from the US and as an ace in the hole for use in pressuring the US in the treaty negotiations.

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The question of Havana's future relationship with Ecuador is trickier. Quito is likely to proceed cautiously in Lima's footsteps toward recognition of Cuba. This is because of military opposition partially stemming from Castro's refusal to extradite the murderers of an Ecuadorean military pilot aboard an aircraft hijacked to Havana. There are indications that negotiations may soon take place on this matter in Cuba, and its resolution could reinforce Quito's present inclination.

The new moderation in Cuba's foreign policy does not extend to the OAS. Fidel still uses his most vituperative language in speaking of the organization, and he is not likely to change his stand against rejoining it as long as the US remains a member. Cuban representatives at regional conferences continue rather to call for a "union of Latin American nations" that would replace the OAS and exclude the US.

The outlook for continued small Cuban successes under its new Latin American policy is good. Cuba will probably continue to expand its commercial and agricultural contacts in the Caribbean area, primarily in the French territories, Trinidad-Tobago, and Jamaica. In addition, once diplomatic relations are re-established with Peru and Ecuador, one or two other nations may follow suit.

A number of Latin governments, however, are still strongly opposed to Castro. Brazil, Paraguay, Haiti, the Dominican Republic, and several Central American states [redacted] oppose any reconciliation with the Castro government. Such opposition is partly in deference to the US position, but a number of Latin American countries still perceive a threat from Cuban subversion. The Uruguayan Government, moreover, was especially angered by Castro's statement in Chile that violence was the only road to power in Uruguay. Uruguay's anger may only be temporary, but strongly anti-Castro countries are likely to reject ties with Cuba for some time to come even if a number of other states normalize relations with Cuba.

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The ultimate success of Castro's policy will depend upon a continuation in power of the present more sympathetic regimes in Latin America and the extent to which Castro's relations with them can set in motion a limited bandwagon in Cuba's favor. As more ties are established, however, Cuba may become a less attractive symbol by which Latin leaders can demonstrate independence of the US. Historical as

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well as economic and political obstacles will still stand in the way of Castro's quest for a position of leadership. South American states, for instance, have traditionally lacked rapport with the Caribbean nations, viewing them as "banana republics." Cuba's weak international economic position is not likely to give it much of an advantage with countries such as Brazil, which is already making its own claims for Latin leadership. Moreover, many other leaders still regard Castro as a brash, rude, and arrogant upstart. The Cuban leader is used to having his way at home, and it remains to be seen whether he can cope with the frustrations of occasional setbacks, the necessity to compromise, and occasional outright rejection of his views in his dealings with other Latin American nations.

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