



*The President's Daily Brief*

*10 October 1972*



~~*Top Secret*~~

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THE PRESIDENT'S DAILY BRIEF

10 October 1972

PRINCIPAL DEVELOPMENTS

Cambodian President Lon Nol is ready to announce the formation of a new government. (Page 1)

In Laos, a Communist Lao peace delegation is expected to arrive in Vientiane this weekend. Yesterday the Communists mounted a small air attack against a government stronghold north of the Plaine des Jarres. (Page 2)

Egypt has renewed its public criticism of the Soviet Union just a week before Prime Minister Sidqi's scheduled arrival in Moscow. (Page 3)

Tensions between the two Yemens continue to build

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(Page 4)

The Japanese Government is working on final details of a trade program designed to forestall pressures for another revaluation of the yen. (Page 5)

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## CAMBODIA

President Lon Nol is now ready to go ahead with the appointment of a new government. The incoming first minister, Hang Thun Hak, has informed Chargé Enders that the announcement will come in the next few days. What is planned is essentially a reshuffling of old faces in the existing cabinet.

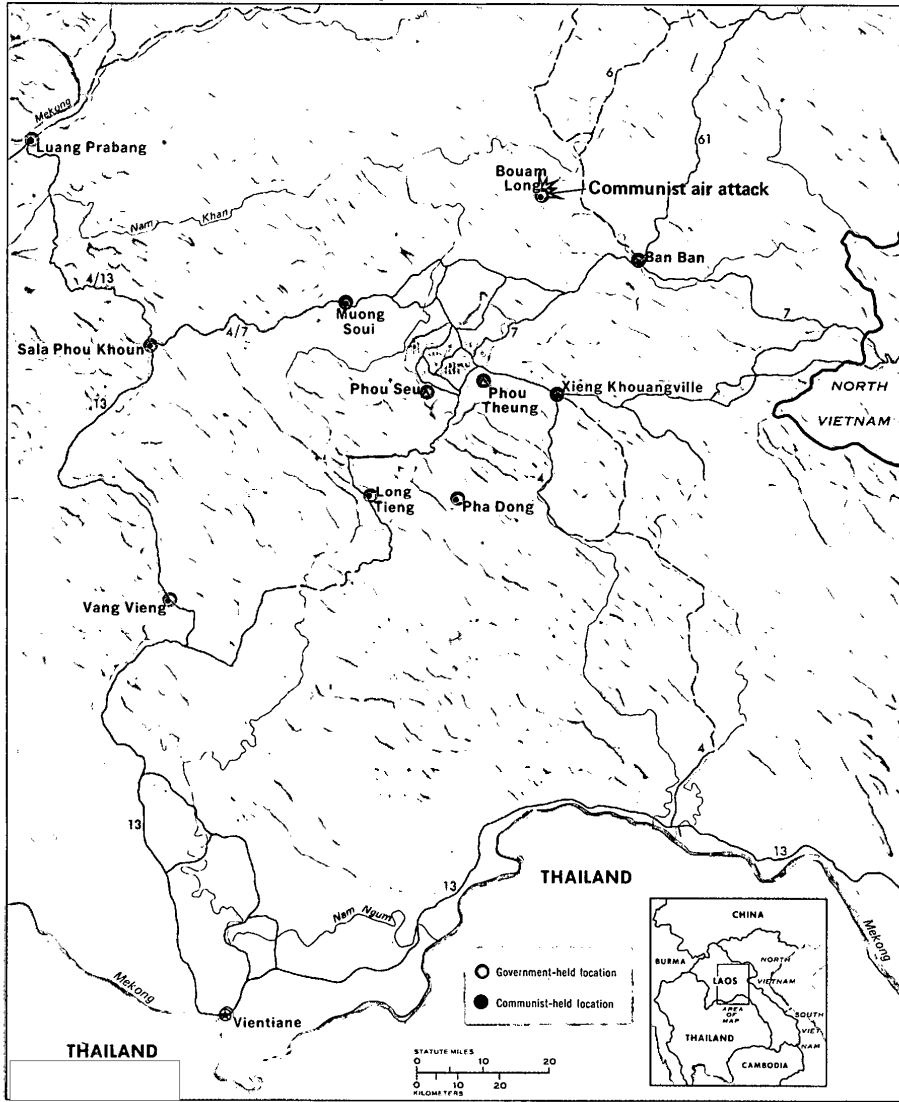
*Such a reshuffle holds little prospect for improvement in government performance. Nevertheless, the proposed government does reflect at least marginal progress toward the muting of party hostilities and the creation of a government of national unity.*

*Hak is the secretary of Lon Nol's Socio-Republican Party and is generally regarded to be a more skillful but less courageous politician than the outgoing incumbent, Son Ngoc Than, whose political future is apparently left undecided. Lon Nol's formula includes the appointment of a supporter of Sirik Matak as minister of justice, thus giving the Republican Party at least symbolic participation in the government.*

*Lon Nol has failed, however, to come to grips with the key question of the vice-presidency. On Sunday, he told Enders that he would hold the post of the vice-president open for Matak pending a "more propitious time." This suggests that Lon Nol is still unwilling to meet Matak's demands that he be given the necessary authority to carry out meaningful government reforms.*

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# LAOS



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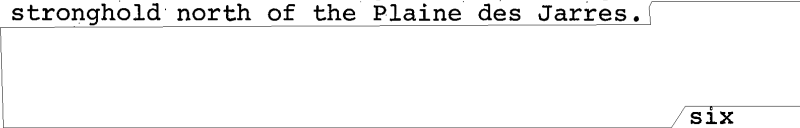
LAOS

A Pathet Lao peace delegation is expected to arrive in Vientiane on Saturday. Government negotiator Pheng Phongsavan and Lao Communist representative Soth Phetrasy announced last Friday that they had reached agreement on such procedural matters as housing and a site for the talks in Vientiane. Security for the Communist delegation while it is in Vientiane will be provided by the local authorities.

\* \* \*

Yesterday the Communists mounted a rare air attack against Bouam Long, an isolated government stronghold north of the Plaine des Jarres.

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 six persons were killed and ten were wounded. In addition, a small fuel storage area was set afire. After the air attack, the North Vietnamese began shelling Bouam Long.

*Bouam Long, a staging area for operations against Communist lines of communications and supply depots north of the Plaine, has been a thorn in the side of the North Vietnamese for several years. The last air attack against a government outpost was in January 1968, and it also involved propeller-driven aircraft.*

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### EGYPT-USSR

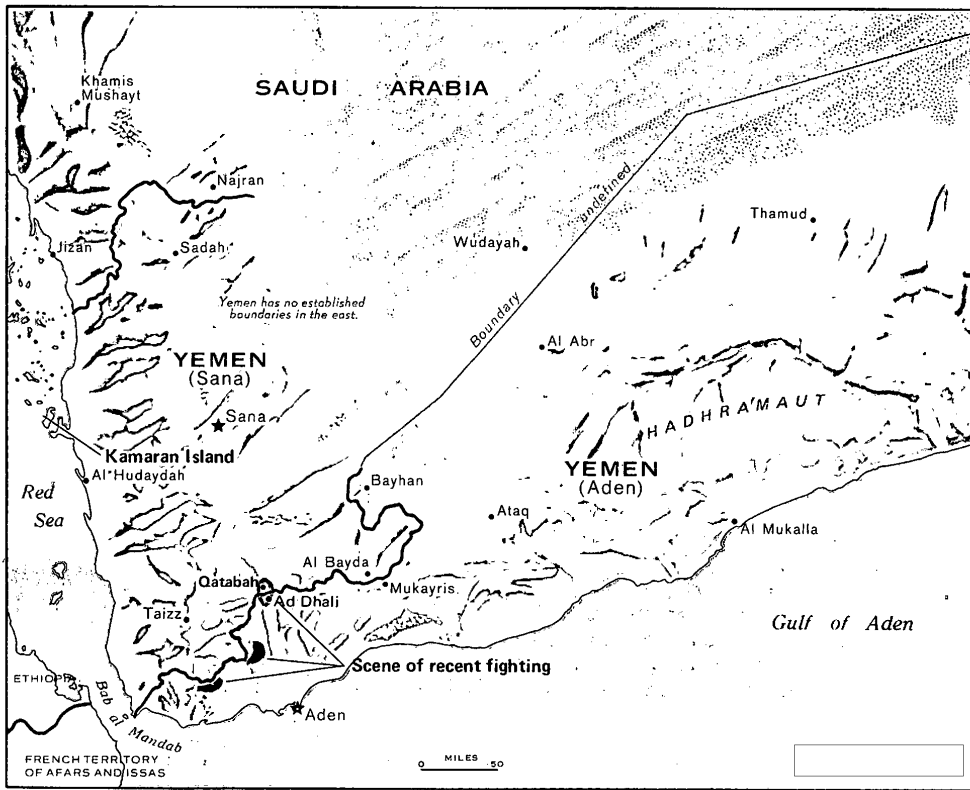
Egypt has renewed its public criticism of the Soviet Union. President Sadat was quoted in a Lebanese weekly published on 5 October as saying that he had ended the Soviet military presence in Egypt because the Soviets "would not fight" and had "become a burden." Sadat said his decision was intended to let the Kremlin know that Soviet strategy in the Middle East could not be fulfilled at Egyptian expense.

The editor of the Egyptian newspaper Akhbar al-Yawm, whose criticisms of the USSR in late August and early September riled the Soviets enough to respond in kind, also renewed his attacks over the weekend. He charged that the Soviets had failed to supply Egypt with necessary arms and belittled Soviet military aid as of no more use than "mere pieces of jewelry."

*These attacks appear designed to delineate clearly Egypt's position prior to Prime Minister Sidqi's trip to Moscow beginning on 16 October. Both sides presumably are still interested in making up, but neither would wish to resume relations on the same terms as existed before the Soviets were expelled from Egypt.*

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THE YEMENS



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[redacted] Saudi Arabia is airlifting military supplies to Sana for distribution to the dissidents. One Libyan transport has also been seen at the Sana airport.

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*Aden has now blamed Sana for the dissident's seizure of the Kamaran Island on Friday, and new dissident forays could spark a direct clash between the two countries. Aden's army is relatively effective and well-armed, and should be capable of dealing with the dissident forces unless fighting occurs simultaneously at several widely separated points.*

*Aden also has the support of the USSR, a matter that must be of great concern to Sana officials. In an interview published in a Beirut newspaper on Friday, Aden's prime minister said he was certain that "the Soviet Union will not stand with folded arms in the event of an invasion."*



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NOTE

Japan: The government is working on final details of a trade program designed to forestall international pressures for another revaluation of the yen. It hopes to announce the plan by the end of the week. Essentially the program will reduce Japanese restrictions on imports. Prime Minister Tanaka has rejected a proposal for simultaneous steps to slow Japan's exports.

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