

*The President's Daily Brief*

12 May 1973



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FOR THE PRESIDENT ONLY

THE PRESIDENT'S DAILY BRIEF

12 May 1973

PRINCIPAL DEVELOPMENTS

Communist cadre in South Vietnam are being told that the North Vietnamese leadership was responsible for the decision to give precedence to political operations over military action for the next six months. (Page 1)

The North Vietnamese are moving significant numbers of civilians south into northern South Vietnam in an effort to repopulate areas under Communist control. (Page 2)

The Korean reunification talks, now a year old, have made little progress on substantive issues, but they have helped to reduce tensions in the area. (Page 3)

The Libyan Government has given Western oil companies until May 17 to accept its demand for complete control of company operations. (Page 4)

Qadhafi is planning to use an international youth conference that convenes in Libya this weekend to promote his propaganda campaign against Israel and the United States. (Page 5)

Iraq

(Page 6)

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Polish and East German leaders will use Brezhnev's short visits this weekend to seek reassurances that he will keep their interests in mind when he goes to Bonn next week. (Page 7)

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VIETNAM

Communist cadre in the South are being told that the North Vietnamese leadership was responsible for the decision to give precedence to political operations over military action for the next six months.

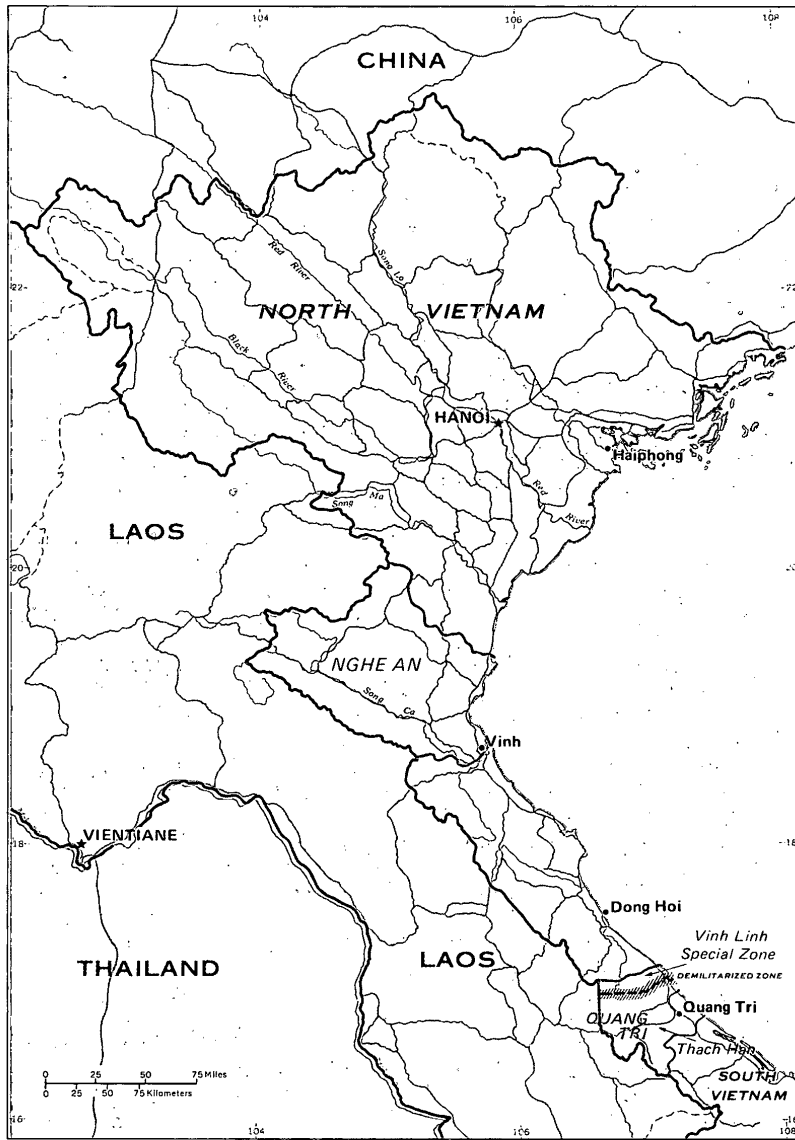
Cadre at a conference in Tay Ninh Province last month were told that the party central committee in Hanoi believes the "different" situation pertaining in the South since the cease-fire requires new methods and objectives. [redacted]

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[redacted] the central committee advised the southern party "not to think of launching any military campaigns," but to concentrate instead on developing "liberated" areas, political capabilities, and local infrastructures from May through October 1973. Hanoi also called for continued efforts to strengthen the armed forces and defend against "infringements on liberated" territories.

The cadre were told that further reliance on military action alone would simply prolong the "same tedious pattern" of launching campaign after campaign that preceded the Paris agreement. Although this effort resulted in a cease-fire and a US military withdrawal, the people were left with a "wretched existence" while no permanent damage was done to the Saigon government.

The political instructions call for increasing the population in specified areas in order to demonstrate credible popular support for the Viet Cong. (Other information on relocation of population follows on next page). People can be attracted by building industries, setting up agricultural production, and creating transport and marketing systems. The cadre were told that these efforts cannot be undertaken unless the central committee operates "within the framework of the cease-fire agreement." These instructions reportedly are being disseminated widely in South Vietnam.



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VIETNAM

The North Vietnamese are moving significant numbers of civilians south into northern South Vietnam in an effort to repopulate areas under Communist control. Intercepts show that since late April almost 3,000 people have been relocated from Nghe An Province in southern North Vietnam to the Vinh Linh Special Zone just above the DMZ. Many of these people subsequently were moved across the border into Quang Tri Province.

*The establishment of a North Vietnamese civil presence has been under way since the cease-fire began. Large numbers of civilian specialists have been sent from North Vietnam to help organize political administrations and to provide social services. Many of these specialists are native southerners returning home after training in the North. The people now being relocated include former civilian residents of Quang Tri Province who were moved to North Vietnam after the Communists overran the province during last year's offensive.*

*North Vietnamese staffed administrations with direct links to Hanoi's internal administrative apparatus have been noted operating in the Communist-controlled area from the DMZ south to the Thach Han River. The civilian populace in this and many other Communist-controlled areas has been sparse or nonexistent, and Hanoi apparently is acting to correct this situation.*

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NORTH KOREA - SOUTH KOREA

*The reunification talks, now a year old, have helped reduce tensions even though progress on substantive issues has been slight. Moreover, each side has learned that its ability to influence the other's ideology and political processes is limited.*

*On balance, the talks have been more advantageous to North Korea. They have facilitated broader international acceptance of the Pyongyang regime. More than a dozen countries have recognized North Korea since the talks began, and UN observer status now appears likely either this year or next.*

*Pyongyang is working to exploit its enhanced status to develop international support for a mutual reduction of forces in Korea and the withdrawal of all US troops. The North Koreans see little chance of US withdrawal any time soon, but they may see some chance for mutual troop cuts. There are signs that they would welcome the opportunity to divert more funds to industrial development.*

*For its part, South Korea has partially achieved its purposes in the talks. Its over-all goal was to begin to develop a relationship with Pyongyang that would preclude a North Korean attack. It was motivated largely by uncertainty over the meaning of the Nixon Doctrine for Korea, particularly whether US forces would remain. There was also a domestic factor. President Pak Chong-hui cited the talks, and the resulting danger he saw of a relaxation in South Korea's military preparedness, as justification for reshaping South Korean society along more authoritarian lines as he had long wanted to do.*

*The President's immediate domestic objectives are largely accomplished. Moreover, he is now more sure of a continued US presence and thus less fearful of new North Korean military action. His interest in the talks is therefore diminished.*

*The talks will continue, though perhaps at a slower pace. Both sides know that the big powers want continuation of detente on the peninsula. Eventually, the barriers to non-political contact and cooperation may be lowered.*

FOR THE PRESIDENT ONLY

LIBYA

The government has given Western oil companies until May 17 to accept Tripoli's demand for complete control of company operations. The companies are expected to counter this by offering to participate with Libya in a 50-50 joint operating company and to provide money for new exploitation.

*Although this proposal is unlikely to satisfy Libya--which wants a better deal than that obtained by the Persian Gulf countries--it should buy more negotiating time. The Libyans probably are not prepared to nationalize the entire oil industry, but they could take over one company at a time.*

*The companies' interests are not parallel, and it will not be easy for them to present a united front. Several--Continental, Marathon, and Occidental--have little or no foreign holdings other than those in Libya and thus are inclined to yield. Others such as Exxon, Texaco, and Standard Oil (California) will be reluctant to make concessions to Libya that are likely to set a precedent for the Persian Gulf oil producers.*

Libyan oil minister Mabruk said he was making no new demands on the Bunker-Hunt oil company because "we're taking them over anyway."

*The decision to nationalize Bunker-Hunt may be a concession to the recent fedayeen demand that Qadhafi nationalize the oil industry. Although Qadhafi said in an interview this week that he will not take such action unless other Arab states agree to do likewise, he probably is willing to nationalize Bunker-Hunt since this would enhance his revolutionary image at small economic cost. Bunker-Hunt has been operating without a formal agreement since its former partner, British Petroleum, was nationalized in late 1971.*



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LIBYA

Qadhafi will use an international youth conference that convenes in Libya this weekend to promote his propaganda campaign against Israel and the United States. Invitations to the conference, billed as the Socialist Union of European and Arab Youth, reportedly have been extended to:

--extremist groups, including the Black Muslims, the Black Panthers, and the Quebec Liberation Front

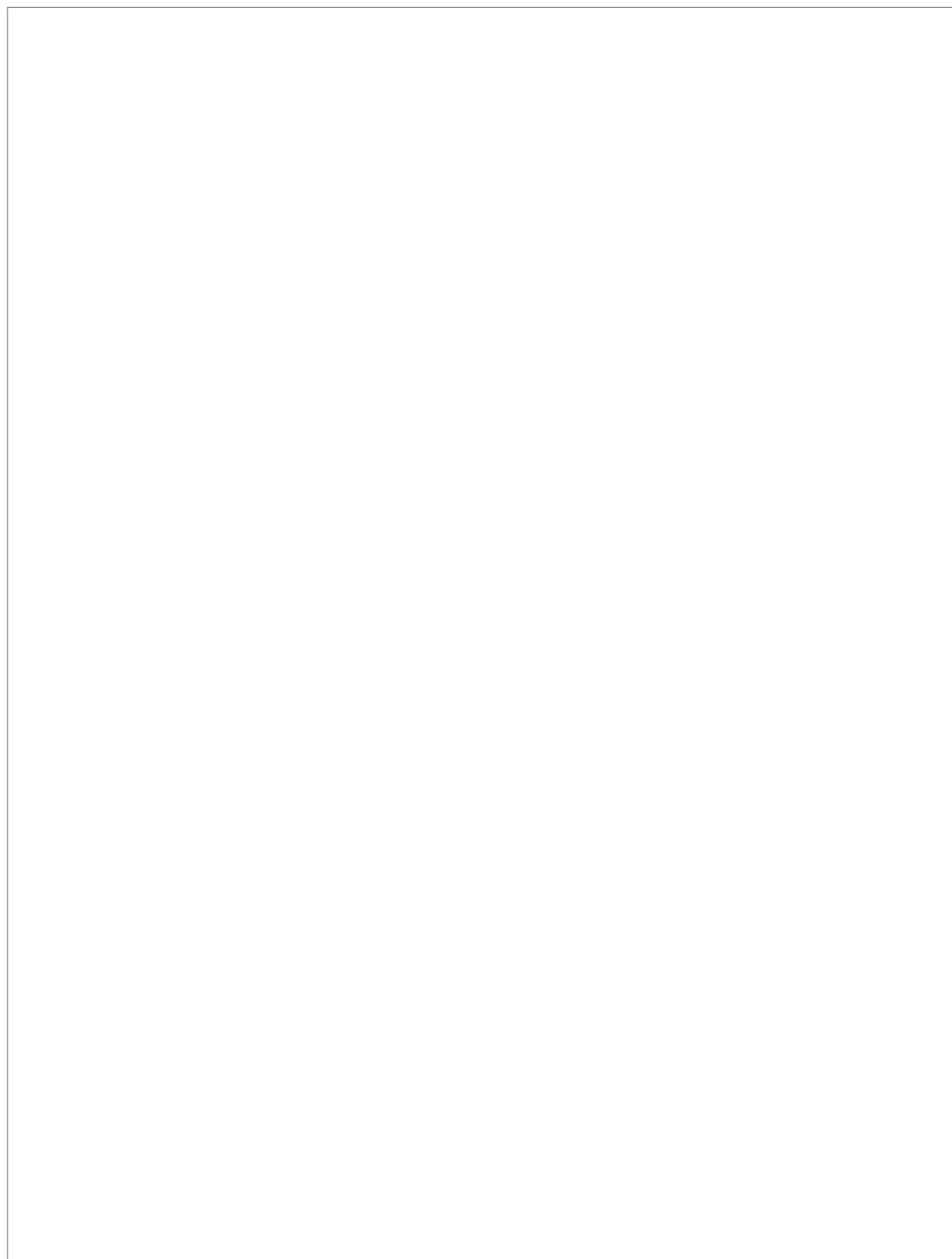
--numerous political parties and liberation movements from Africa, Asia, and Latin America

--representatives from international organizations including the UN

--other guests such as OAU Secretary-General Ekwangabi, Prince Sihanouk, and professionals and academicians from the US and Europe.

The lure of Libyan money probably will draw a sizable gathering.

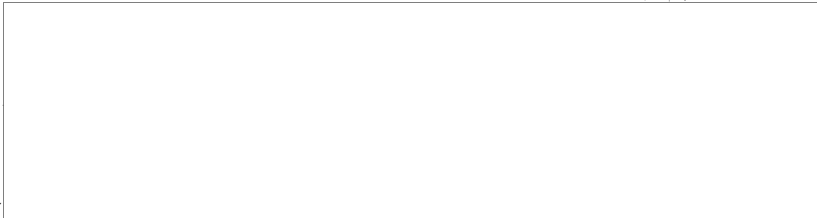
Among the propaganda themes that Qadhafi apparently intends to push are what he calls the "dishonest alliance" of the major powers against the less developed countries and the "siege" of the Libyan revolution by Zionism and imperialism.



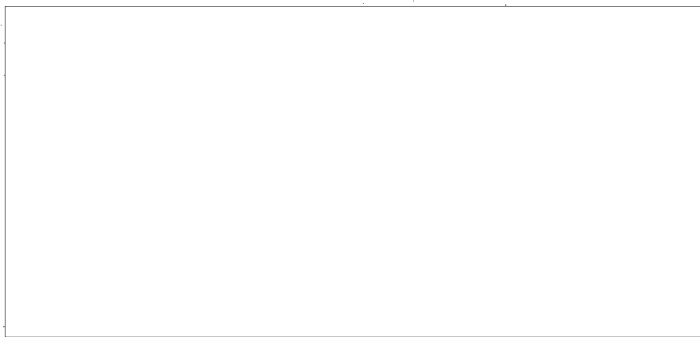
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IRAQ-USSR



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NOTES

USSR - Poland - East Germany: Polish and East German leaders will use Brezhnev's short visits this weekend to seek reassurances that he will keep their interests in mind when he goes to Bonn next week. The East Germans in particular are concerned that Moscow's pursuit of detente may be carried out at their expense. Brezhnev will listen and, no doubt, offer the required reassurances. He is unlikely, however, to let their worries keep him from attempting to achieve a general improvement in Soviet relations with West Germany.

France: Pierre Juillet, a conservative Gaullist who is President Pompidou's closest political adviser, has offered to resign. Juillet is said to believe that Pompidou has gone too far in showing favor to the centrists in the government. Pompidou apparently is attempting to convince Juillet to withdraw his resignation, but if he stays on, his influence with the President is likely to diminish. Although Juillet's attempt to resign reflects the growing rift between Pompidou and old-line Gaullists, his departure would have no dramatic effect on French politics or policies.

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