



The President's Daily Brief

18 May 1973

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FOR THE PRESIDENT ONLY

THE PRESIDENT'S DAILY BRIEF

18 May 1973

PRINCIPAL DEVELOPMENTS

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North Korea's entry into the World Health Organization yesterday--the first recognition of Pyongyang by a major international organization--is the beginning of the end for South Korea's campaign to keep the north diplomatically isolated. (Page 2)

Feeling against French nuclear testing in the South Pacific is running high in Australia, and an anti-French boycott sponsored by the country's major labor federation is proving a problem for Prime Minister Whitlam. (Page 3)

In Argentina, president-elect Campora is taking a conciliatory line toward his political opponents as he prepares for his inauguration next Friday. (Page 4)

Saudi Arabia [redacted]

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[redacted] (Page 5)

[redacted]

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Zaire will not renew the Israeli military assistance agreement when it expires in September [redacted]

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[redacted] (Page 7)

25X1

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FRANCE-UK

Next week in Paris, President Pompidou and Prime Minister Heath will explore the possibility of a common position on issues Pompidou will discuss with President Nixon.

The British have been more sympathetic to Dr. Kissinger's Atlantic Charter proposals, believing that Europe must have some regard for US problems. The French still fear the US might dominate a US-European relationship and undercut European unity.

Both Paris and London oppose linking trade and security questions, fearing that problems in one area may impede agreements in the other or that the US will use its defense commitment to press for trade concessions.

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KOREA

North Korea's entry into the World Health Organization yesterday--the first recognition of Pyongyang by a major international organization--is the beginning of the end for South Korea's campaign to keep the north diplomatically isolated.

WHO recognition opens the door for Pyongyang's entry into other UN agencies and raises the possibility of observer status at the UN General Assembly this fall.

Seoul had resigned itself to Pyongyang's participation in UN organizations and possibly to some changes in the UN's handling of the Korean issue, including termination of UN political involvement in Korea. But ROK officials want to hold fast on other vital issues, including the presence of US forces in South Korea and the continuation of the UN military command. Both of these issues have been targets of strong North Korean attacks that are certain to be stepped up as Pyongyang's role in international councils increases.

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AUSTRALIA-FRANCE

Feeling against French nuclear testing in the South Pacific is running high in Australia, and an anti-French boycott sponsored by the major Australian labor federation is proving a problem for Prime Minister Whitlam. The boycott, which includes airline and ship servicing, postal and telecommunication links, and contact with local French firms, was instituted despite a public warning by Whitlam that it would contravene international agreements.

Whitlam himself has publicly condemned French testing, thus making it difficult for him to rein in the trade unions. He probably will work quietly behind the scenes to end the strike, as he did during the brief boycott of US shipping last January. Whitlam, who is aware that he needs French goodwill to gain favorable trade arrangements with the European Community, is not likely to allow the issue of nuclear testing to sour completely Australia's relations with Paris.

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ARGENTINA

President-elect Campora is taking a conciliatory line toward his political opponents as he prepares for his inauguration next Friday. He is calling on all parties to join in his program of "national reconstruction" and seems open to including representatives of the large Radical Party in his government.

The Radical Party, second in size to Campora's Peronist Party, is middle class based. Its cooperation would help ease the difficult first months of the new administration as it seeks to carry out such controversial commitments as amnesty for political prisoners.

The armed forces are now resigned to giving up control of the government. Even the most uncompromising anti-Peronists in the military have seen their support dwindle and have lost hope of finding a pretext strong enough to block the inauguration.

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SAUDI ARABIA

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WEST GERMANY

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ZAIRE-ISRAEL

Zaire will not renew the Israeli military assistance agreement when it expires in September,

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[Redacted]

Zaire's President Mobutu has no wish to be associated with Libyan President Qadhafi's radical Arab position.

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NOTE

China: The Chinese have begun to turn increasingly to imports both to meet short-term consumer needs and to restore momentum to their lagging economy. This year alone, Peking has contracted for imports of grain, cotton, and vegetable oils worth \$900 million. The Chinese have curtailed the construction of primitive rural fertilizer factories and contracted for four large Western-built fertilizer complexes. They are looking more to imports also to promote growth in basic industries. German and Japanese firms are now competing for the construction of a \$300-million steel complex, and several other countries are negotiating with the Chinese for the installation of electrical generating equipment.

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