

The President's Daily Brief

20 June 1973

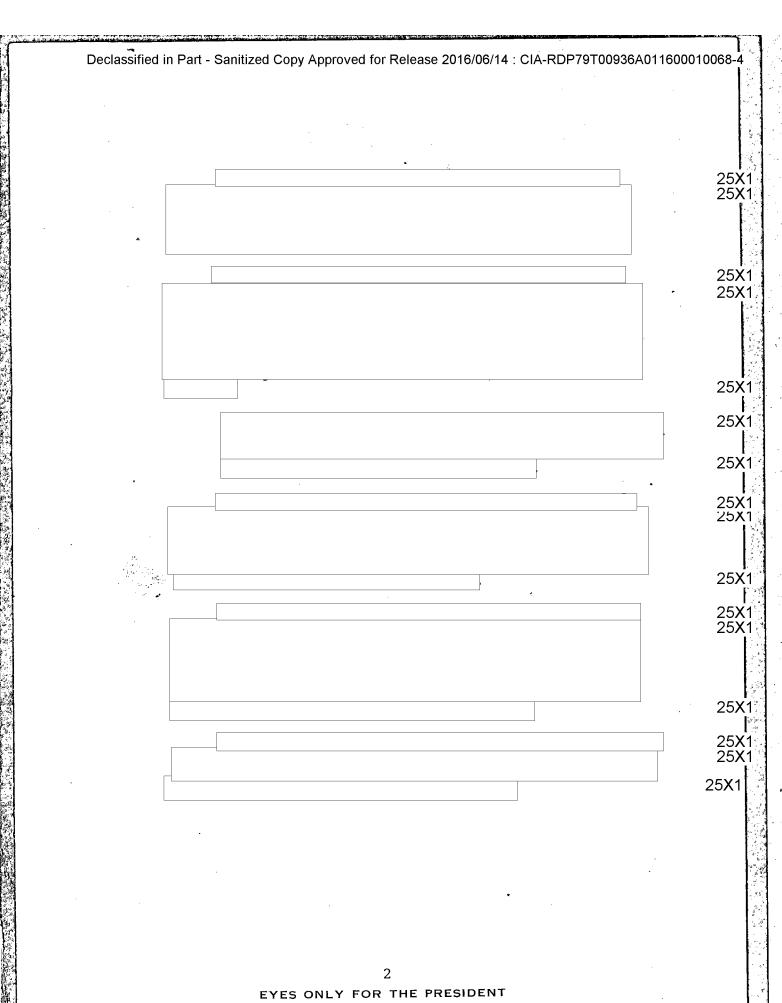
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THE PRESIDENT'S DAILY BRIEF

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PRINCIPAL DEVELOPMENTS

Brezhnev's stop in Paris on his way home will serve a number of purposes for him and President Pompidou as well. (Page 1)

Spurred by some states seeking to diminish US influence, the OAS is meeting in Lima today to discuss reorganization of the inter-American system. (Page 2)

Huge crowds are gathering to welcome Peron home to Argentina, but there are continuing reports of a rift between him and President Campora. (Page 3)

Communist military pressure against key highways has raised the prospect of another rice crisis in Cambodia's capital. (Page 4)

President Thieu is taking steps to strengthen his power, suggesting he does not anticipate an early political settlement with the Communists. (Page 5)

The trial of the fedayeen terrorists in Sudan has been delayed. (Page 6)

FRANCE-USSR

Paris sees Brezhnev's three-day stopover in France next week as a reminder to its allies on both sides of the Atlantic that Paris retains a "special" relationship with Moscow. The visit, the fourth Franco-Soviet summit in less than three years, was arranged only a few days ago.

Pompidou's talks with Brezhnev will concentrate on European matters, including US and Soviet relations with the EC. They are likely to discuss their respective positions on the CSCE meeting scheduled to open on July 3. If Brezhnev tries, as he did in January, to draw the French into the MBFR talks, he will again be rebuffed. The two leaders will also compare notes on their talks with President Nixon.

From the Soviet standpoint, the visit offers an opportunity to show Brezhnev's interest in improving Soviet - West European relations and to demonstrate that Moscow's interest in Western Europe is not diminished by superpower summitry. Brezhnev may also try to counter recent statements in London and Paris by the Chinese foreign minister warning the Europeans to beware of close ties with the USSR.

The French press has already played the Brezhnev visit as a diplomatic success for Pompidou, who will have met with the leaders of the UK, West Germany, the US, and the USSR within a four-week period. The Elysee probably will also exploit the addition of Brezhnev to Pompidou's heavy schedule to counter rumors that Pompidou is in ill health.

WESTERN HEMISPHERE

Representatives of the 23 members of the Organization of American States open consultations in Lima today on proposals to reorganize the inter-American system. The proposals come from a nationalistic group of governments that increasingly is challenging US influence in the OAS and its specialized agencies. Peru, the most energetic advocate of change, is joined on most issues by nine other states.

The reform group wants to move at least some parts of the organization out of Washington, change its structure, and reduce US influence over development loans from multilateral agencies. It also wishes to review hemispheric defense needs with a view to abrogating the Rio Treaty of Reciprocal Assistance. Opposition to the treaty centers on a belief that the external threat to hemispheric security has diminished since the accord was drafted in the late 1940s.

The advocates of extensive change are likely to fall short of getting agreement for a major overhaul of the inter-American system. They failed to agree before the meeting on specific recommendations for reorganization, and they do not have the clout to overcome a requirement for a two-thirds vote on most substantive issues.

They could win a symbolic victory, nevertheless, if more than half of the members come out in favor of important changes.

Most of the reformers also claim that OAS sanctions against Cuba are anachronistic and that members ought to be free to re-establish relations with the Castro government if they wish. The present meeting is not empowered to vote on that issue, but some indirect test of strength on it seems likely.

ARGENTINA

Peron's failure to attend any official functions with President Hector Campora in Madrid has given some substance to continuing reports of a growing rift between the two.

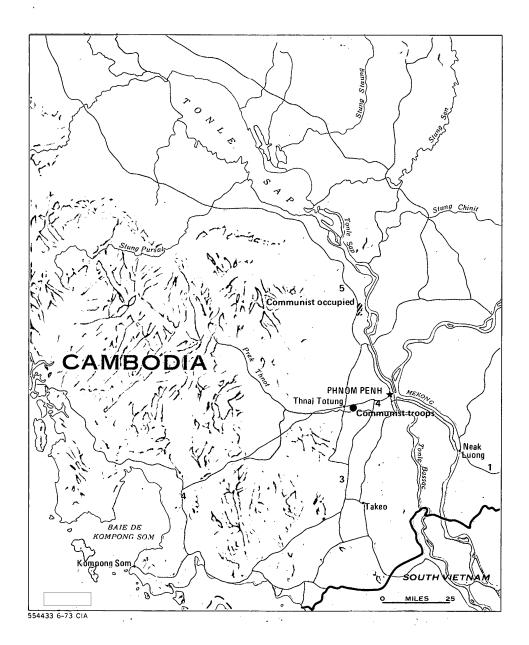
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Peron may find it difficult to change habits formed over the years in which he undercut and then forced out of the movement any Peronist who seemed to be in a position to rival him for leadership. On the other hand, Peron may merely be piqued over Campora's clumsy handling of such problems as terrorism and divisions between moderate Peronist labor leaders and the radical Peronist Youth wing.

In any event, Peronist and anti-Peronist alike are hoping that Peron will take a firm stand against terrorism and that his return to Buenos Aires will put an end to the disturbances of various government agencies by young people.

Peron knows that the wave of kidnappings and extortion attempts aimed at foreign businessmen is hurting the climate for foreign investment that he is counting on to help Argentina out of its economic slump. The kidnapping on June 18 of the general manager of the Firestone Rubber Company will make the matter of terrorism even more urgent.



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CAMBODIA

In the past few days Khmer Communists have occupied six miles of Route 5, Phnom Penh's only overland access route to the rice-rich northwest. Government units from Phnom Penh that had cleared the highway early last week have since returned to the city, and it will take some time to reassemble them for another clearing operation.

No truck convoys have moved over Route 4 since June 6, when the Communists interdicted a short section of the road about 15 miles from Phnom Penh. This is the route by which Phnom Penh obtains rice and other supplies from the country's only seaport at Kompong Som. The government, however, has reopened the highway and hopes to resume convoys later this week.

Unless the Cambodian Army can quickly reopen Route 5 and maintain security along that road and along Route 4, Phnom Penh's rice stocks will again reach dangerously low levels by the end of this month. A poor supply situation could lead to public disorders similar to those that occurred in Phnom Penh last September.

SOUTH VIETNAM

President Thieu seems likely to gain firm control of the Senate, the only official body in which his non-Communist opponents have considerable strength. His candidates are heavily favored to win when 31 of the 60 upper house seats come up for election in August.

The country's main independent and opposition groups are sitting out the election. Some were convinced that they had no chance against Thieu's well-organized political machinery, and others were unable to agree on slates by the filing deadline last weekend.

Gaining control of the Senate is an important part of Thieu's long-range plan
for consolidating his political position,
a goal that suggests he does not antici-
pate an early political settlement with
the Communists.
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NOTE

Sudan: The trial of the Black September Organization terrorists has been further delayed by the appointment of non-Sudanese Arab lawyers to assist in the defense. Prosecution proceedings have been postponed in order to allow the new lawyers time to get acquainted with the case. The trial, when held, could be a political circus. The defendants are expected to justify their crimes by pleading the Palestinian cause, while their Sudanese attorneys, among whom are a number of leftists and pan-Arabists, will use the forum to attack the Numayri government. President Numayri will be hard pressed to find a verdict acceptable to both the Arabs and the US, and to avoid provoking terrorist retaliation.