

# The President's Daily Brief

*28 August 1973*

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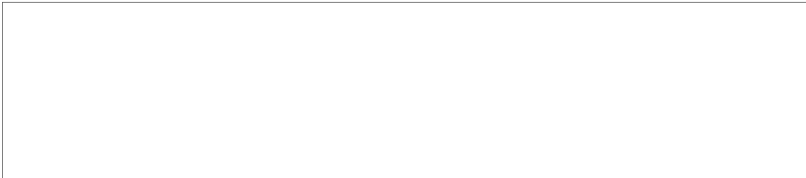
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FOR THE PRESIDENT ONLY

THE PRESIDENT'S DAILY BRIEF

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PRINCIPAL DEVELOPMENTS



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Moscow has moved to start a dialogue between CEMA and the EC. Some of the East Europeans are afraid that this could result in a tighter CEMA and impede the growth of bilateral relations with West European countries. (Page 2)

As the next round of talks on European security approaches, the Romanians have given NATO diplomats a preview of proposals designed to underscore Bucharest's independence and to make life difficult for the Soviets. Among other things, Romania will insist that discussion of military disengagement and the "inviolability of frontiers" include the Balkans as well as central Europe. (Page 3)

Khmer and Vietnamese Communist officials are trying to end sporadic fighting between Khmer insurgent and Vietnamese Communist forces near the South Vietnamese border. Even if the clashes continue, however, this will not significantly detract from Communist military capabilities in either Cambodia or South Vietnam. (Page 4)

Two more Chinese officials who were purged during the Cultural Revolution have been rehabilitated. This suggests that the moderates are still in a strong position as the party congress approaches. (Page 5)

The Malaysian Prime Minister has told the US ambassador that establishment of relations with China will probably be delayed until early next year. (Page 6)

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[Redacted] Soviet [Redacted] (Page 7)

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About 1,400 South African police are now helping the Rhodesians put down insurgents. (Page 7)

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USSR



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CEMA-EC

CEMA Secretary General Fadeyev yesterday proposed to Danish officials that CEMA and the EC appoint delegations to begin negotiations. The offer was made in Copenhagen because the Danes chair EC bodies for the remainder of the year. Danish Foreign Minister Noergaard told the press that the CEMA bid will be placed before the EC Council of Ministers at its meeting in Brussels on September 20-21. Noergaard emphasized that today's talks were "unofficial" and confined to a general exchange of opinions.

Fadeyev acknowledged that the decision to begin contacts with the EC was made at the CEMA ministerial meeting in June.

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The Poles

[Redacted] are against an institutionalized closer relationship between CEMA and the EC. The remarks implied concern that such a development would lead to a tighter CEMA--that is, a CEMA even more dominated by the Soviets--and greater problems for Warsaw's bilateral contacts with the West.

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*Such feelings are probably shared by Romania, which in June became the first Soviet ally to be extended the EC's system of generalized tariff preferences. The initiative for this came from Bucharest, and the Romanians apparently are more than willing to reach their own accommodations with the EC outside the CEMA context. The Soviets have publicly said that CEMA-EC relations would not preclude bilateral agreements--those that are country-to-country rather than country-EC.*

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ROMANIA-CSCE

When the next round of CSCE talks begins in Geneva on September 18, Romania will present proposals for a non-use of force agreement and the establishment of a permanent European security organ.

In setting forth his government's views to a group of NATO chiefs of mission in Bucharest, a senior Foreign Ministry official said that the Romanian position calls for both disarmament and disengagement; the latter includes an agreement on the non-use of nuclear weapons. Bucharest intends to push for an extension of any disarmament measures adopted for central Europe to the Balkans.

*The Romanians want to include three elements in the non-use of force document: notification of maneuvers, notification of large military movements, and provisions for foreign observers at maneuvers. None of them is likely to win favor in Moscow, which wants to keep the military content of CSCE at a minimum.*

*Romanian-Soviet differences extend into other aspects of the European security talks.*

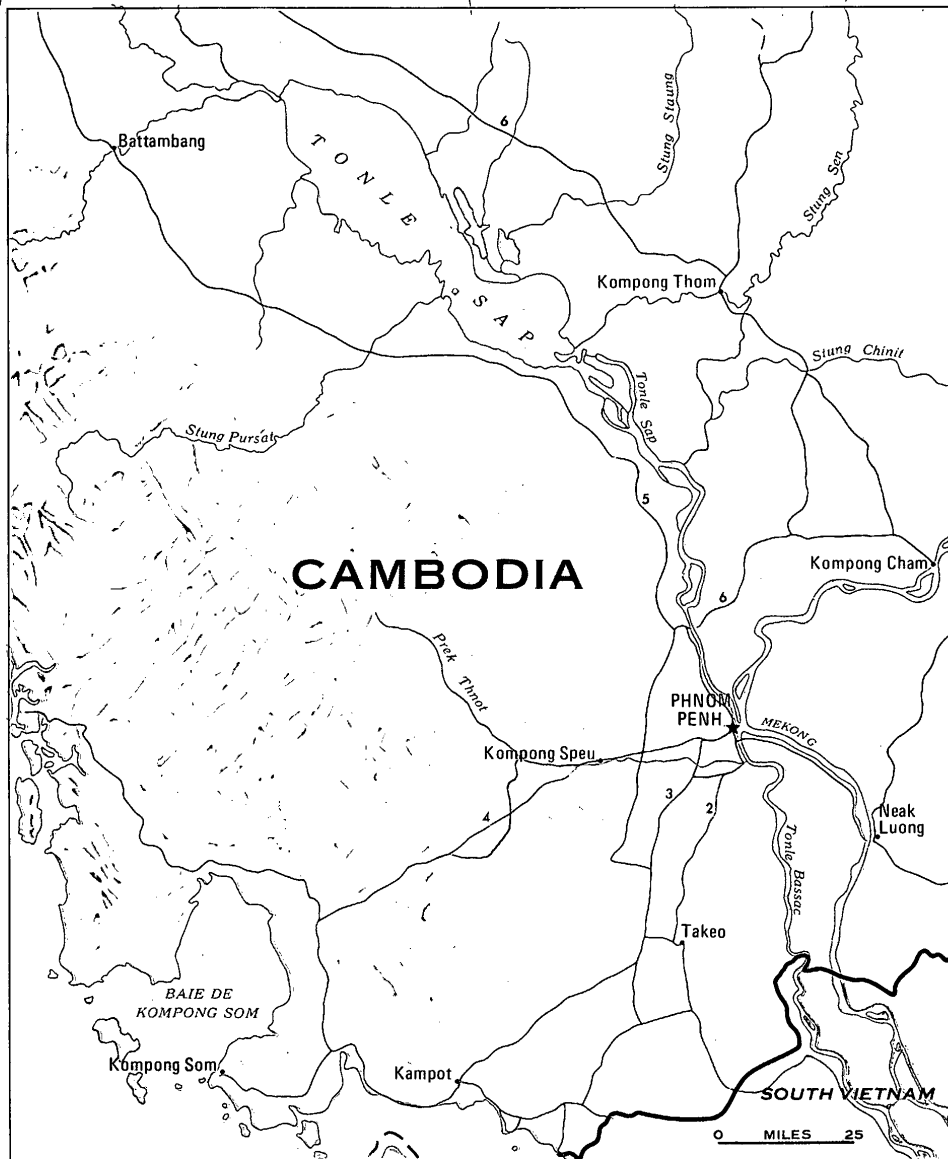


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*The Romanian proposal for a permanent CSCE organ appears designed to provide Bucharest with a forum for voicing its dissent from the Warsaw Pact. Publicly, however, Romania will probably argue that such a body is necessary to handle such matters as the dissemination of information on troop movements and maneuvers. For its part, Moscow was at one time a champion of a permanent CSCE organ, but recently has appeared to back off as Romania took the offensive. The Soviets now rarely mention the subject.*



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CAMBODIA

Khmer and Vietnamese Communist officials are trying to end sporadic fighting between Khmer insurgent and Vietnamese Communist forces near the South Vietnamese border. The North Vietnamese have told their units in the area that they should "strictly observe" a cease-fire agreement worked out earlier this month, according to a recent intercepted message. Other intercepts show that this understanding provides for Vietnamese forces to begin withdrawals next month toward the South Vietnamese border. The Khmer Communists have agreed to facilitate the withdrawals.

*Local truces between the two sides in the past have quickly broken down, and implementation of the present arrangement may likewise prove difficult, even though it apparently was worked out at higher levels. Clashes between the two sides were still being reported as late as August 22.*

*Even if the current agreement breaks down completely, however, fighting will probably remain limited to the southern border area, and will not significantly detract from Communist military capabilities in either Cambodia or South Vietnam.*



FOR THE PRESIDENT ONLY

CHINA

The New China News Agency has announced that Ulanfu and Tan Chen-lin, who were purged during the Cultural Revolution, attended a table-tennis tournament that began in Peking on August 26. Ulanfu was an alternate Politburo member and party boss of Inner Mongolia until 1966. Tan was a full member of the Politburo and served as the party's agricultural specialist. The announcement did not say what positions the two men now hold.

*Ulanfu and Tan are the two most important officials to be rehabilitated since the reappearance last April of the party's former secretary general, Teng Hsiao-ping.*

*These rehabilitations suggest that the moderates are still in a strong position in the party debates that are preceding the Tenth Party Congress--despite the apparent attacks on moderate policies that have been appearing in People's Daily. The paper has criticized the stringent birth-control regulations introduced earlier this year, expressed doubts about Peking's foreign trade policy, and attacked the use of material incentives and "experts" in the running of factories.*

FOR THE PRESIDENT ONLY

MALAYSIA-CHINA

Prime Minister Razak has told Ambassador Lydman that the establishment of relations with China will probably be delayed until early 1974. Talks, which opened at the UN in June, quickly stalled on the issue of the 200,000 stateless Chinese in Malaysia. The Malaysians have been unable to get Peking to accept Malaysian sovereignty over this group.

*The Malaysians have given an appearance of being adamant, but if they want to open relations they have to accept Peking's stand that the question of the stateless Chinese cannot be taken up until after this is done.*

*Peking's position regarding Communist insurgency in Malaysia does not appear to be a serious impediment to the establishment of relations. Although Kuala Lumpur continues to press for a public "hands off" statement, Razak admits that he realizes Peking cannot go much further than it has in dissociating itself from the insurgency.*

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NOTES

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South Africa - Rhodesia: The transfer last month of 800 South African police to Rhodesia substantially increases the forces Pretoria has committed to Rhodesia's counterinsurgency effort and could go far to relieve the shortage of reservists that are available to the Smith government. Some 1,400 South African special paramilitary police are now serving in Rhodesia. The latest reinforcements may already have aided the Rhodesians in their current efforts to search out insurgents across the border in Mozambique.

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