



# The President's Daily Brief

*March 23, 1974*

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*FOR THE PRESIDENT ONLY*

THE PRESIDENT'S DAILY BRIEF

March 23, 1974

PRINCIPAL DEVELOPMENTS

Hanoi's leaders have restated their intention to put reconstruction and development in North Vietnam ahead of the struggle in the South over the next couple of years. (Page 1)

Soviet propoganda is using the Paracels incident and Chinese support for insurgents in Burma to exploit traditional distrust of the Chinese in southern Asia. (Page 2)

Ethiopia's new government is attacking long-standing problems and, at least for the moment, appears to be coping effectively with threats to its authority. (Page 3)

Notes on France, the USSR-Egypt, China, and the USSR appear on Pages 4 and 5.

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**NORTH VIETNAM**

The Hanoi leadership has reiterated its intention to put reconstruction and development in North Vietnam ahead of the struggle in the South over the next couple of years.

In a recent authoritative article, Vice Premier Le Thanh Nghi states that the North's "key task" is to rebuild and industrialize the economy. He bluntly asserts that the North should not be "too bent" on maintaining vigilance and on "making preparations for war," lest the reconstruction effort suffer. He indicates that this will be the party line through 1974 and 1975.

Nghi makes it clear that Hanoi also remains committed to the struggle in the South. He claims, however, that North Vietnam can best fulfill its revolutionary duties by building its own economic strength, a theme stressed by party leader Le Duan last spring. Nghi does not rule out the possibility that, once the North has rebuilt its economy--and improved its military forces--it will try another major military campaign in the South.

*FOR THE PRESIDENT ONLY*

USSR - CHINA - SOUTHEAST ASIA

Moscow's propoganda mill has been using the Paracels incident and Chinese support for insurgents in Burma to exploit traditional distrust of the Chinese in South and Southeast Asia. In February, Soviet envoys in five South Asian countries, including Burma, met in Moscow to discuss ways of countering Chinese influence in the area. Ambassadorial consultations are not unusual, but the anti-Chinese theme of that particular meeting was exceptional.

Soviet anti-Chinese propoganda may also reflect an underlying concern that Peking's effort to increase its influence in southern Asia is somehow being abetted by the US.

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[redacted] collusion between the US and China had enabled Peking to act recklessly in the Paracels. Moscow has also publicly charged that such collusion has taken place in northern Burma, and has argued that Peking's mild reaction to the Diego Garcia base indicates that Peking favors an expanded US naval presence in the Indian Ocean.

*FOR THE PRESIDENT ONLY*

ETHIOPIA

The new and shaky government is attacking long-standing problems and, at least for the moment, appears to be coping effectively with threats to its authority.

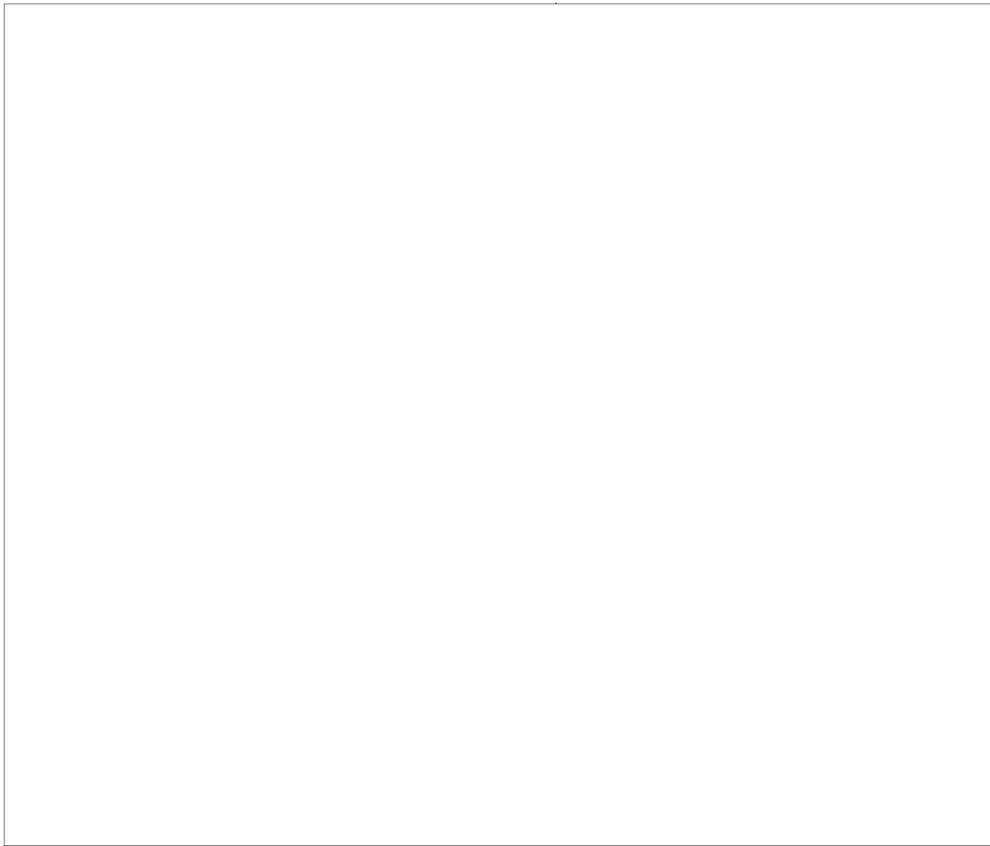
Prime Minister Endalkatchew this week named the 30 members of a conference to liberalize the constitution. They come from both modern and traditional segments of Ethiopian society and also include figures from the country's Muslim population. The conference will have six months to revise the constitution so as to give Ethiopia a parliamentary government.

In an effort to deal with famine and serious drought, the government has assigned troops and military vehicles to distribute relief supplies. The public school teachers' association has agreed to send its members back to work, and secondary schools in the capital appear to be functioning again. Teachers and students at Haile Selassie I University are still out on strike, however.

The army this week put down a protest by military orderlies at the Harar Military Academy. It is also performing search and destroy operations against Eritrean insurgents, who might try to exploit the recent unrest.

Serious problems remain. Money must be found for the pay raises the Emperor promised to both military and civilian officials; there is serious unrest in rural areas, particularly in an area south of the capital where tribesmen have burned farms and killed livestock; and military dissidents who began the recent troubles have reportedly threatened to intervene again if the government fails to live up to its promises.

Ethiopia apparently is turning to the US for help. Endalkatchew has told the US ambassador he would like to send a high-level delegation to Washington to discuss increased US military and economic assistance.



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NOTES

France: Foreign Minister Jobert, who is visiting Algeria this weekend, stated in an interview published by the Algerian press service that continuation of the oil embargo against the Dutch and discrimination against the Danes endanger EC-Arab cooperation. Senior Quai officials told the US Embassy on March 21 that Jobert felt it was "high time" to make a strong statement to the Arabs emphasizing the necessity to treat all EC members equally. Jobert's statement is part of Paris' current effort to re-establish its European credentials and to assume leadership of its European partners.

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USSR-Egypt:

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China:

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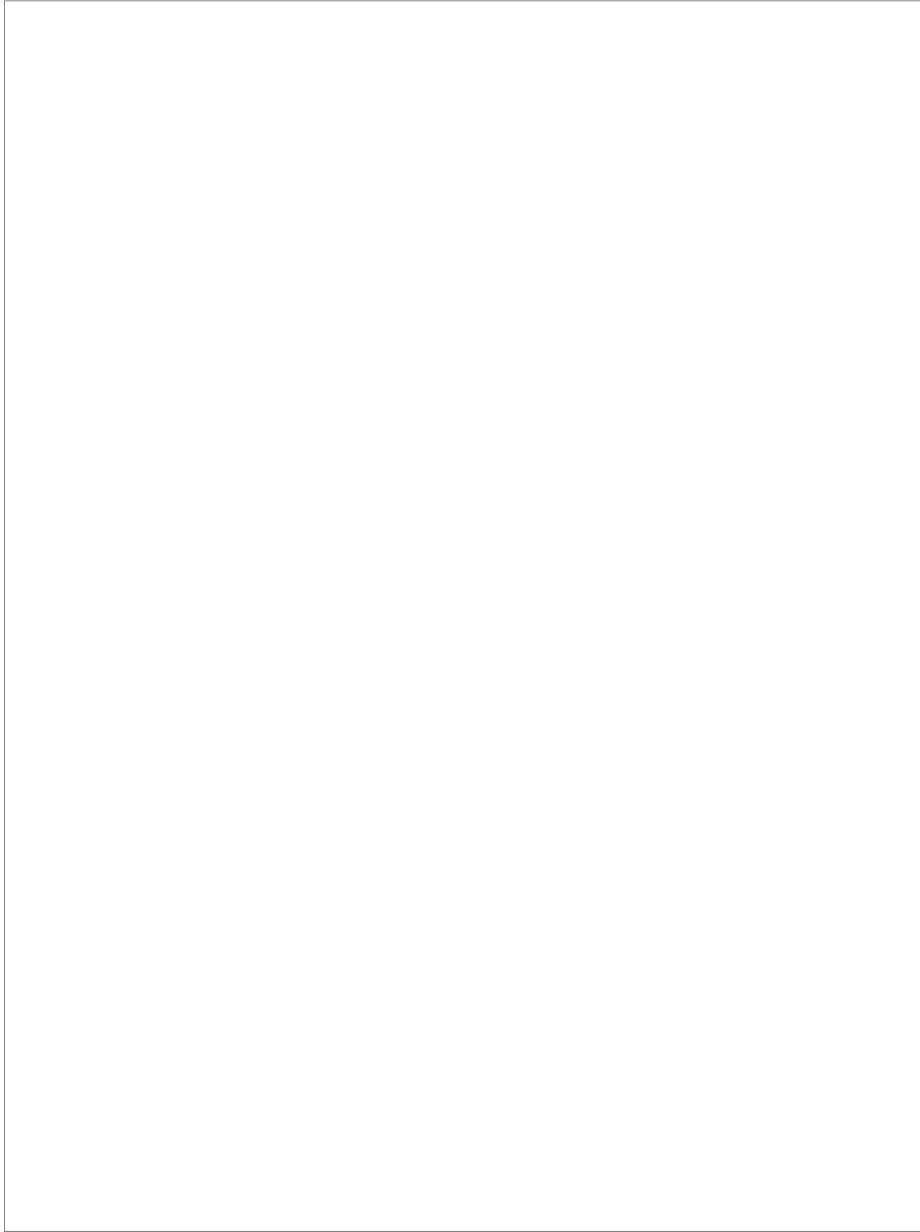
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