

DAF



The President's Daily Brief

June 6, 1974

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FOR THE PRESIDENT ONLY

THE PRESIDENT'S DAILY BRIEF

June 6, 1974

PRINCIPAL DEVELOPMENTS

Australian Minister for Overseas Trade James Cairns-- the most prominent leftist in the Labor Party--is trying to become deputy party leader and deputy prime minister. (Page 1)

The South Vietnamese high command reportedly has concluded that each of the government's four regional commanders has enough assets to contain the current level of fighting, which is expected to continue through June. (Page 2)

The coup attempted in Bolivia yesterday has been quelled, but the uprising has revealed serious opposition to President Banzer's administration. (Page 3)

After a meeting of EC agricultural ministers, Italy has agreed to exempt EC members from its import restrictions on most farm products and to reduce the deposit requirements on meat imports from member countries. (Page 4)

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	Greece	
(Page 5)		

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Damascus appears to have received at least one squadron of MIG-23 Floggers. (Page 6)

Notes on the USSR, China, USSR-Bangladesh, the Warsaw Pact, and North Korea appear on Page 7.

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AUSTRALIA

Minister for Overseas Trade James Cairns--the most prominent leftist in the Labor Party--is trying to become deputy party leader and deputy prime minister.

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The party caucus meeting to select the party leader and deputy leader will take place on June 10.

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[Redacted] Cairns is popular within the party and came within six votes of replacing Whitlam in 1968 when Labor was in opposition.

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SOUTH VIETNAM

The South Vietnamese high command in Saigon reportedly has concluded that each of the government's four regional commanders has enough assets to contain the current level of fighting, which is expected to continue through June.

Government forces in Military Region 1 have regained several hilltop positions overlooking Hue and relieved Communist pressure on resettlement camps south of Da Nang. The South Vietnamese 2nd Division has suspended an operation to retake several villages in Quang Tin Province, and is regrouping to defend more important coastal areas near Tam Ky and in nearby Quang Ngai Province.

In Military Region 2, the Communists have stalled a large retaliatory strike against a major North Vietnamese supply base north of Kontum City. The operation, however, may still achieve the objective of drawing Communist attention away from two isolated government outposts believed to be on the Communist target list.

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Government forces in Military Region 3 are following up their recent successes near the Cambodian border and in northeastern Binh Duong Province with a move to challenge the North Vietnamese 9th Division, well dug in north of Ben Cat. The South Vietnamese on June 5 reoccupied the first of several positions in this area that President Thieu has ordered retaken. Government infantry and armor units are now moving toward the other objectives.

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BOLIVIA

Forces loyal to President Banzer have quelled the coup attempted yesterday by dissident military officers. Banzer will probably crack down immediately on his most visible enemies, but the uprising has revealed serious opposition to his administration, and a general purge of the armed forces would further erode his support.

Rebellious troops managed to surround the presidential palace early yesterday, but were persuaded by more powerful regiments in La Paz to withdraw peacefully after a few hours. The two officers who led the revolt, Raul Lopez and the popular Gary Prado, subsequently attempted to obtain diplomatic asylum, but press reports indicate that they have been arrested and will be tried by military courts.

This latest attempt to unseat Banzer apparently was an impulsive move following the government's exile of other dissidents earlier in the week and its reported intention to deport Lopez and Prado to Venezuela. Similar pre-emptive moves have enabled Banzer to quash a number of coup attempts and may continue to sustain him in office for some time.

With each successive coup attempt, however, Banzer appears to be in a weaker position. During the past year, he has lost major political allies; among them, former president Victor Paz, head of the National Revolutionary Movement, has been exiled, and the party's current chief took asylum yesterday. The defection of Prado, a spokesman for younger officers, will undoubtedly increase unrest in the armed forces, on which Banzer is now increasingly dependent to remain in power.

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ITALY-EC

Following a meeting of EC agricultural ministers on Tuesday, Rome has agreed to exempt EC members from its import restrictions on most farm products and to reduce the deposit requirements on meat imports from member countries. Restrictions remain on imports from outside the EC. In return, the EC has instituted some accounting changes that make Italian exports more competitive in the EC market.

Since Italy began import restriction schemes a month ago, the movement of beef between EC countries and Italy declined drastically. This trade should now recover.

The effective date of the new measures is being delayed until Rome puts the finishing touches on measures to stabilize its faltering economy. If EC members approve Italy's stabilization plans, they probably will offer to help Italy out of its balance-of-payments problems.

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GREECE

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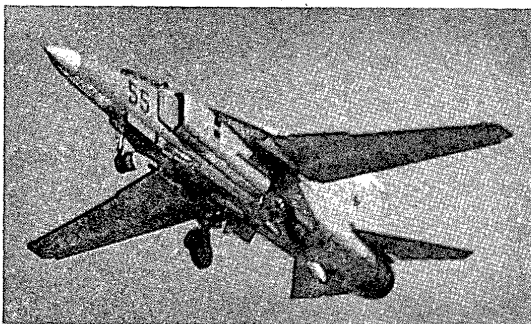
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**MIG-23
Flogger**




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USSR-SYRIA

Damascus appears to have received at least one
squadron of MIG-23 Floggers. 

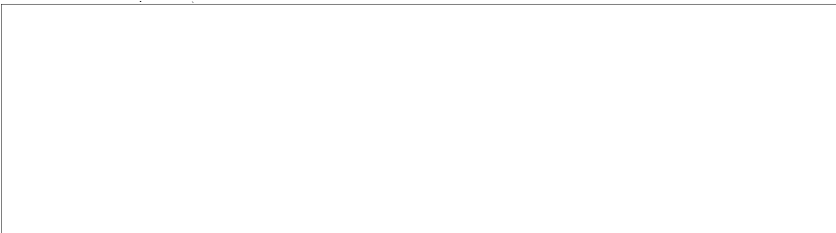
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NOTES

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USSR:

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On Tuesday, Brezhnev told Averell Harriman that he had been suffering from bursitis, and Harriman reports that he seemed vigorous but a little tired.

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China: Peking has given its first public explanation for Premier Chou En-lai's cutback of his protocol duties. The official party newspaper, People's Daily, on June 1 carried a farewell banquet speech by visiting Malaysian Prime Minister Razak which mentioned Chou's absence from the banquet for health reasons. Official references to the health of Chinese leaders is a rarity. This public admission that the 76-year-old Premier is slowing down for reasons of health, made during a time of political turmoil, seems a deliberate effort to reassure the Chinese populace that Chou is not in political trouble.

USSR-Bangladesh: Soviet salvage operations in the port of Chittagong, which began in April 1972, will end as scheduled on June 30, according to the Soviet ambassador to Bangladesh. The Soviets will, however, remain well-represented in Bangladesh. In addition to a large embassy in Dacca, the USSR has an air force training mission, a consulate at Chittagong, a trade mission, and a maritime assistance program; it is building an electrical manufacturing plant.

USSR: The Warsaw Pact exercise, which began this week in Bulgaria, will continue until June 14. Soviet, Bulgarian, and Romanian units are participating, with Romania playing only a limited role.

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North Korea:

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