



The President's Daily Brief

~~Top Secret~~ 18 May 1968



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THE PRESIDENT'S
DAILY BRIEF
18 MAY 1968

1. South Vietnam

Resignation of Prime Minister Loc and his cabinet this morning came at President Thieu's request and in preparation for the long-planned government reorganization. There is no aspect of crisis, despite all the scurrying around by newsmen. The embassy believes announcement of the new cabinet--presumably to be headed by Tran Van Huong--will come tomorrow.

2. North Korea

Signs are appearing that a shake-up recently took place high in the leadership. Positions just below the top three in the hierarchy seem to have been affected. Details are hard to come by, but early indications are that hard-liners have won out over men who are--by North Korean standards--moderates.

3. Soviet Union -
Czechoslovakia

Kosygin's sudden appearance in Prague yesterday signals the start of some tough bargaining. We expect him to insist on firm commitments from the Czechoslovak leaders that they will moderate their course and effectively curb liberal dissidence within and outside the Communist Party. If Kosygin is satisfied, he may then be forthcoming about Prague's earlier request for a large and desperately needed loan.

Soviet Defense Minister Grechko, who also turned up in Prague yesterday, brought along a number of high-ranking officers. This show of military brass will add weight to Kosygin's arguments. Soviet military units, meanwhile, remain in place around Czechoslovakia's borders.

4. France

The domestic crisis is getting worse as student and labor disturbances spread outside Paris. Premier Pompidou's stern public warning on Thursday has been met only with defiance. The workers in a number of key factories have joined in the struggle, calling strikes of "unlimited duration" and in some cases seizing the plants.

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[REDACTED] has it on good authority that the regular army has been alerted to move in should the reinforced police and gendarmes be unable to handle the situation.

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Late press reports say De Gaulle has cut short his trip to Rumania by one day and will return to Paris today to take personal command.

5. Berlin

The West Berlin branch of the neo-Nazi National Democratic Party plans a rally in the city today. This will invite counterdemonstrations by leftist students. The West Berlin police are preparing for trouble.

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The East Germans, encouraged by Bonn's reluctance to take strong countermeasures to the restrictions on access they have applied so far, are said to be thinking of requiring passports and visas for all West Germans traveling overland to Berlin. This would be a logical next step.

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6. Panama

General Vallarino seems finally to have concluded that Arnulfo Arias' electoral majority was so big that his victory cannot be denied.

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What happens next is anyone's guess. Vallarino will likely resist any attempt by President Robles to fire him, and it could well be Robles who gets kicked out.

Vallarino's most immediate problem is to assure continued unity of the National Guard.

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7. Communist China

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8. Israel

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9. Cambodia

The tribal rebellion in the north-east, and a more serious Communist-led insurgent effort in the south, come at a bad time for Sihanouk. The budget is already strained from four years of economic decline. Sihanouk cannot find the money to beef up the army. He blames the Communists for his troubles, but still cannot seem to understand how all this could happen under such an enlightened leader as he.

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FOR THE PRESIDENT'S EYES ONLY

- 1.) Special Daily Report on North Vietnam

- 2.) North Vietnamese Reflections of U S
Political Attitudes



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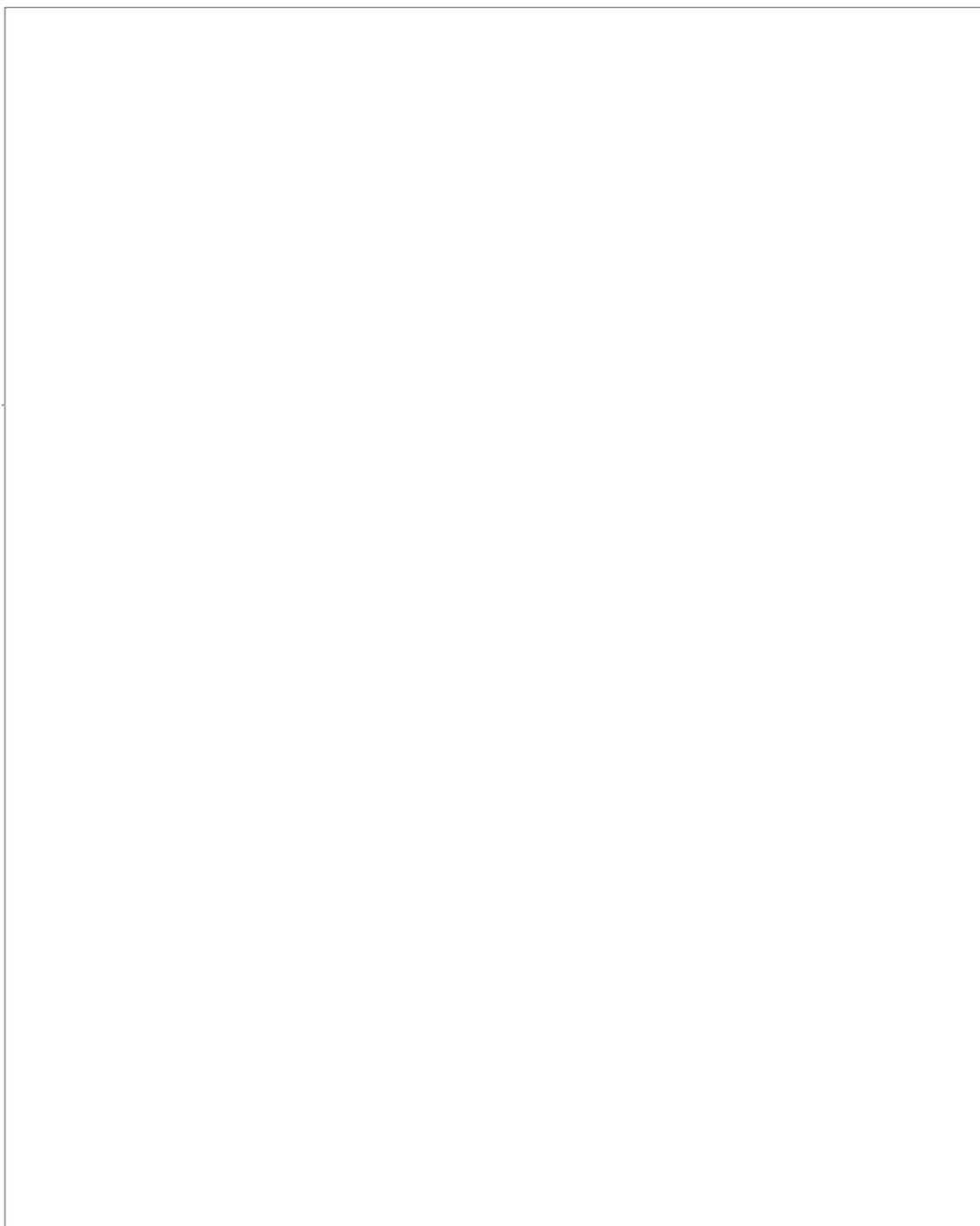
18 May 1968

**Special Daily Report on North Vietnam
for the President's Eyes Only**

18 May 1968

I. NOTES ON THE SITUATION

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Press Officer Gives His Impressions: Nguyen Van Sao, one of the press officers of the North Vietnamese delegation to Paris, reportedly told a friendly journalist that he intended to stay in Paris for a "long time." He made the statement in London, where he was a correspondent for a Vietnamese newspaper before joining the Paris team. He also volunteered the information that the head of the delegation, Xuan Thuy, would not remain in Paris much longer than two weeks.

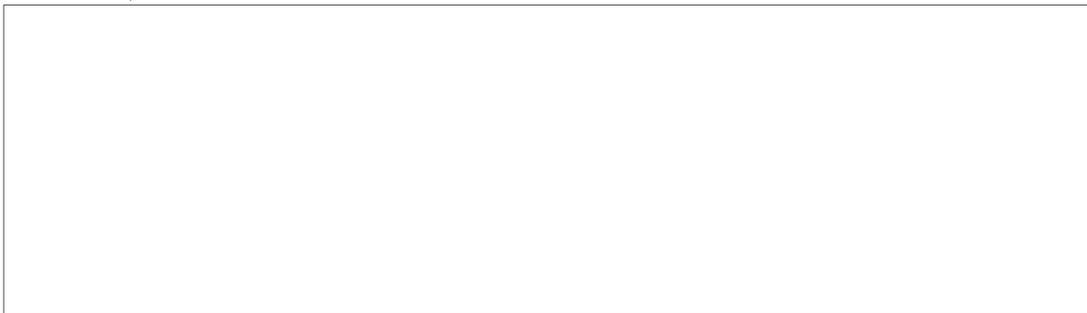
Sao's remarks are probably largely his own impressions. He is not a high-ranking individual in the North Vietnamese scheme of things, and it is doubtful that he has any inside information on Hanoi's intentions on the talks. He has made free-wheeling statements in the past which have not always been completely accurate, and probably has a better idea of his own plans than he does of Xuan Thuy's.

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Soviet Officials Hope for Success: Several Soviet diplomatic officials from the ambassadorial level on down have been expressing a hope for the success of the Paris talks. Reference to the possibility of improved Soviet-US relations has on several occasions been coupled with these expressions. Little additional private commentary has been forthcoming, however, and the Soviets have been careful not to imply that success may be brought about by any concessions on Hanoi's part. On the contrary, Soviet public media have been pushing the line that the onus for success or failure rests on the US.

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Hanoi Resumes Shelter Construction, Discourages Returnees: According to a French press dispatch from Hanoi, North Vietnamese authorities have ordered a step-up in shelter construction in the capital city and have begun a campaign to prevent evacuees from returning en masse.

[Redacted] one of the first noticeable results of the US bombing restrictions was the influx of people from outlying areas.

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The French news service now reports that the city has inaugurated a "short competition campaign" to "evacuate the population and increase shelter construction." The problem is not minor, according to the news dispatch, which cites figures in the tens of thousands for individual wards. Parents have been informed that children must stay out of the city and cannot come home even for the summer recess.

The evacuation order may have been necessitated by an inability to cope with the wholesale return of hundreds of thousands of former residents in a short space of time. The coupling of the evacuation order with increased shelter construction, however, implies that Hanoi is prepared for a resumption of the bombings.

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II. NORTH VIETNAMESE REFLECTIONS OF US POLITICAL ATTITUDES ON THE WAR

Hanoi Backs Poor People: On 17 May the Hanoi news agency's international service in English picked up the recent Viet Cong radio item on the Poor People's Campaign. It called the campaign the beginning of a "period of struggle of profound social significance," and linked it to the civil rights and antiwar movements in the US. The broadcast asserted that the cause of these "struggles" was US preoccupation with the war in Asia and said that the "South Vietnamese people" consider such demonstrations a manifestation of "militant solidarity."

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Hanoi on Reserve Call-up: North Vietnamese propaganda has made a special point of noting measures which it describes as further US escalation of the war. The latest of these was in a Hanoi broadcast on 16 May in Vietnamese to South Vietnam which cited Associated Press reports about the call-up of 20,000 US reservists. The broadcast says this occurred just when the Paris talks were beginning, and charges that this "proves" the US is still bent on "aggression" in Vietnam. The broadcast ridicules the idea that a few thousand additional troops can save the US from a "stalemated situation."

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