

The President's Daily Brief

~~Top Secret~~ 7 December 1968



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THE PRESIDENT'S
DAILY BRIEF
7 DECEMBER 1968

1. Finances

The main Western foreign exchange markets remain skittish, with investors and traders skeptical that corrective measures will work. Yesterday there was a good deal of movement from the franc and pound to the West German mark. Things had improved for the French and British by the time the markets closed, but Friday's trading illustrated traders' nervousness. They are especially jumpy before a weekend, when most exchange rate adjustments are announced.

2. Rumania -
Warsaw Pact

A Pact summit meeting is planned to settle details of military exercises to be held in Rumania next year. The Rumanian first deputy foreign minister who passed on this information said Pact staff officers reached no decisions on maneuvers when they met recently in Bucharest. No firm date has been set for the summit, although it may be soon.

The Rumanians have been sticky about the whole subject of maneuvers on their territory, and, while their leverage is not great, this may explain why the question has to be handled by chiefs of state. We anticipate the Pact leaders would also use this meeting as a forum from which to answer recent NATO statements on Eastern Europe.

3. France

Communist labor leaders are showing a new willingness to challenge the government, and this week took the lead in organizing strikes in the automobile industry. Their rally cry is that the austerity program will wipe out gains labor made last spring. This new assertiveness contrasts with the cautious tactics the Communists followed in May, and seems designed to regain the ground they lost thereby.

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4. India -
Soviet Union



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5. Nigeria

The British, convinced that fresh supplies of arms have indefinitely prolonged the Nigerian civil war, will try again to mediate. London now plans to send a cabinet minister to meet with Biafra's Ojukwu and with Gowon. The minister will try to get them together for direct negotiations. At the moment, however, there is little reason for optimism. Ojukwu remains unbending in his determination to keep Biafra alive and Gowon is convinced his Federal forces can still inch forward to victory.

6. Australia

"The fortress Australia concept is no longer in the picture,"

_____ yesterday. The Australian went on to say the cabinet had just finished an appraisal of Australia's strategic position and concluded the frontier really begins in Southeast Asia.

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Canberra strategists will now be preparing position papers advocating retention of Australian forces in Malaysia and Singapore after British withdrawal in 1971. The Australians, however, will still be looking over their shoulder to make sure the US is behind them.

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7. Pakistan

[Redacted]

[Redacted] Pakistani military officers are becoming uneasy about the political situation and Ayub's leadership.

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[Redacted]

[Redacted]

Ayub seems to have things under control, and the army has heretofore been loyal to him.

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FOR THE PRESIDENT'S EYES ONLY

- 1.) Special Daily Report on North Vietnam
- 2.) North Vietnamese Reflections of US
Political Attitudes



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

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I. NOTES ON THE SITUATION

Liberation Front Communiqué: The Liberation Front's top leadership has called for a stepped-up Communist effort in South Vietnam, with special emphasis on political tactics. A communiqué, issued by the presidium of the Front's central committee on 6 December, heavily stressed the role of the "political struggle" while listing the Communists' immediate tasks in light of the US bombing halt and Paris talks.

This reinforces other signs that political tactics are assuming increasing importance in the enemy's over-all effort in the South. The Front's statement is another indication that the enemy has launched an accelerated political, psychological, and proselyting campaign, probably with a view toward improving the Communist position for a negotiated settlement. It calls, in particular, for strengthening and expanding Communist influence over the people of South Vietnam through the movement to set up a quasi-governmental administrative apparatus in South Vietnam.

According to the Liberation Radio broadcast, the communiqué represented the decisions of an enlarged conference of the presidium held earlier this month to review recent events and "set forth tasks and trends of activity in the days ahead." The broadcast indicated that high-level officials from most parts of the Communist apparatus in South Vietnam were in attendance.

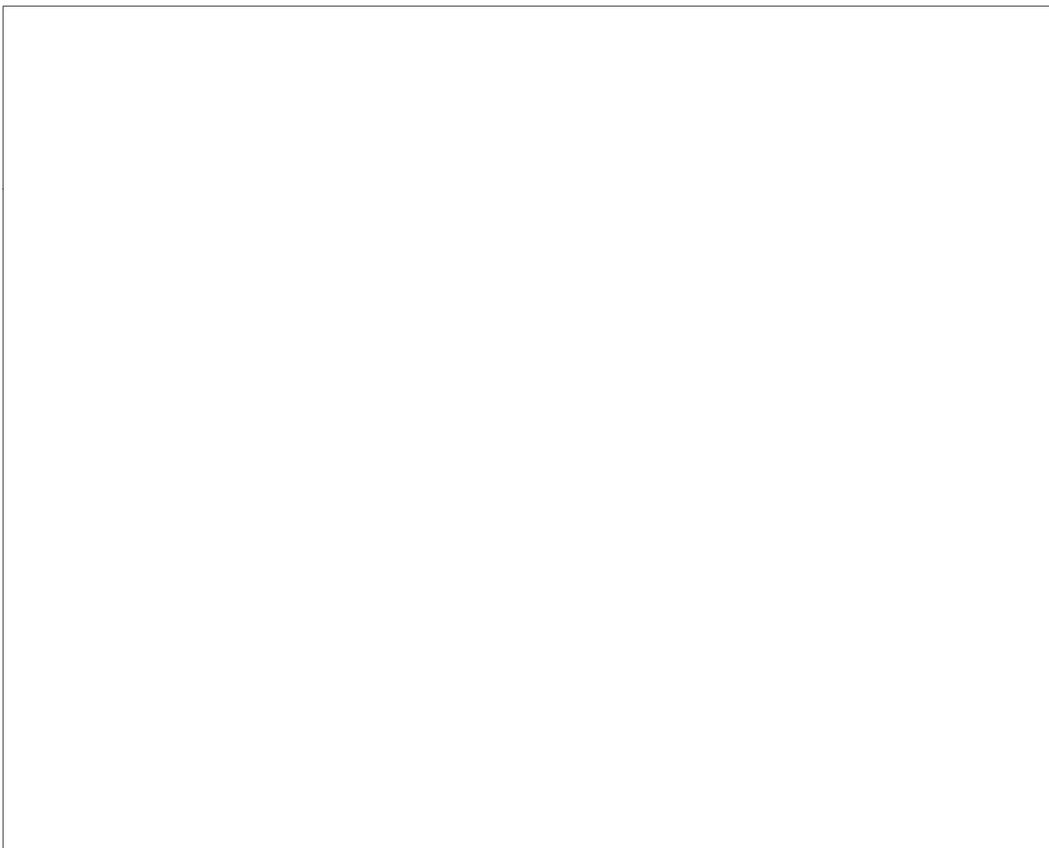
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Farm Supplies Being Shipped South: Internal North Vietnamese messages show that large volumes of agricultural material for the forthcoming rice planting season are being sent to southern North Vietnam. These messages show that at least a portion of the large amount of goods currently flowing south is not related to the war effort.

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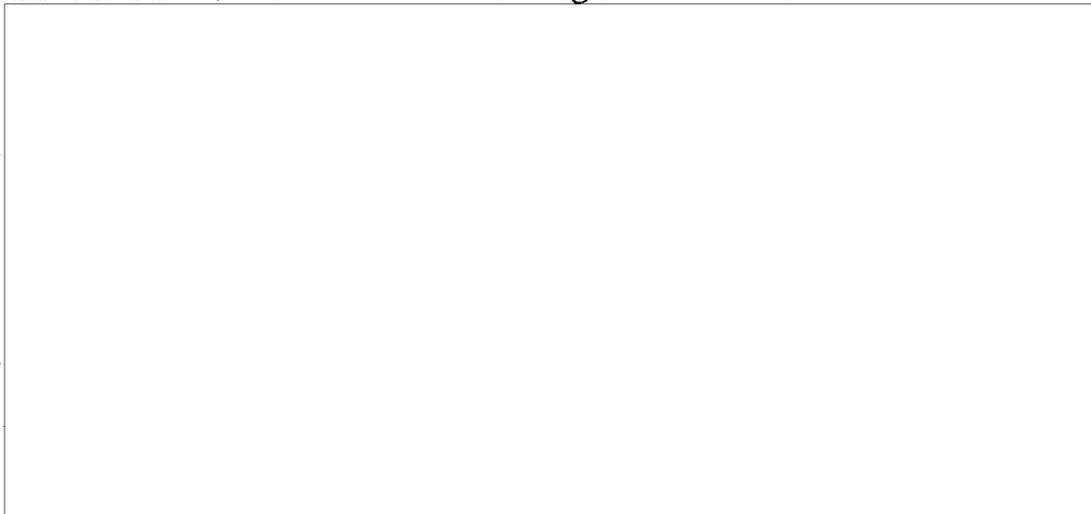
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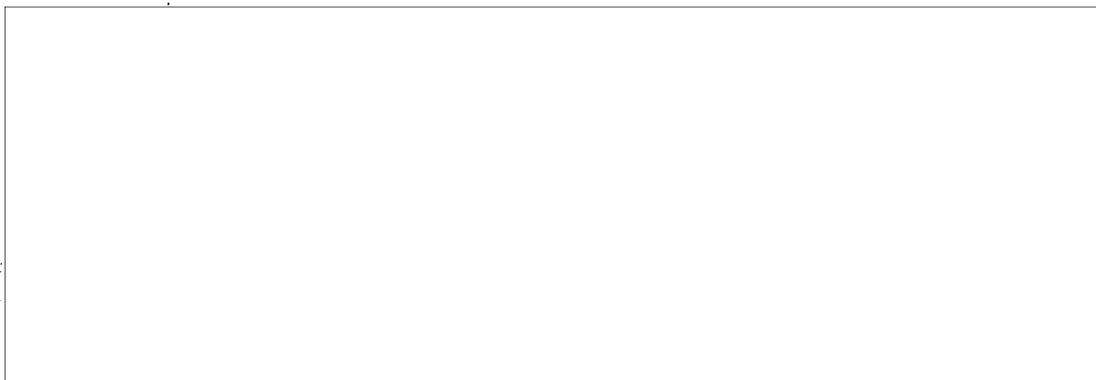
Foreign Shipping to North Vietnam in October:
Preliminary trade figures for October show that sea-
borne imports to North Vietnam increased by 22 per-
cent--from 135,000 tons in September to 164,000 tons
in October. This was the highest volume since June.

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

There is nothing of significance to report today.

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