



The President's Daily Brief

2 December 1971

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FOR THE PRESIDENT ONLY

THE PRESIDENT'S DAILY BRIEF

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PRINCIPAL DEVELOPMENTS

The continued border fighting in East Pakistan apparently is giving the Mukti Bahini guerrillas a freer hand in the interior, while spurring President Yahya toward increased political activity in West Pakistan. (Page 1)

The Cambodian Government is now abandoning major portions of Route 6 under continued Communist attacks. (Page 3)

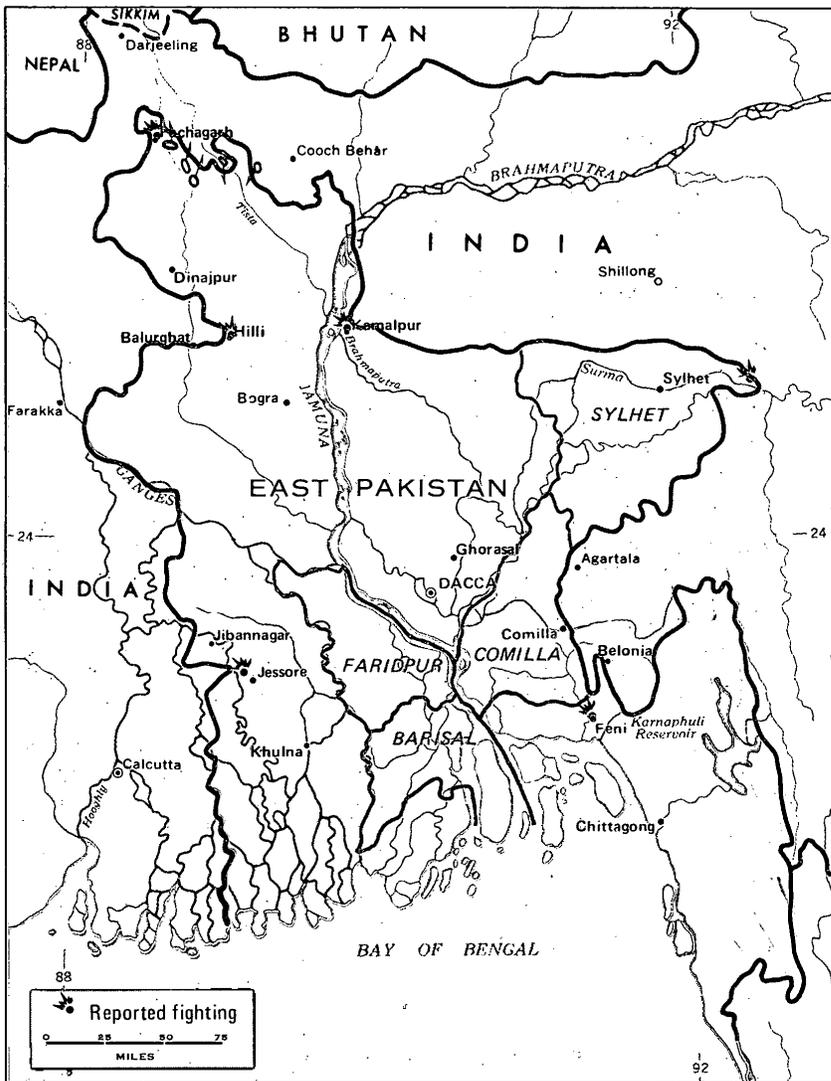
The inter-German negotiations to implement the Four-Power Berlin accord are moving toward an early agreement. (Page 4)

Peking's first major pronouncement on domestic politics since the purge of Lin Piao is discussed on Page 5.

The North Vietnamese moved a heavy volume of supplies into northern Laos during November. (Page 6)

Fidel Castro is planning to depart Chile soon and his next stops may be Peru and Ecuador. (Page 7)

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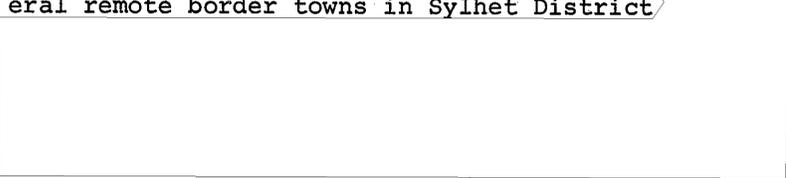


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INDIA-PAKISTAN

Fighting continues along the East Pakistani border near Jessore, Hilli, Pachagarh, and Kamalpur. The Indians have admitted their troops crossed the border at Hilli and the Pakistanis now acknowledge the loss of Pachagarh. The Indians claim that the Mukti Bahini have laid siege to Feni, an important road and rail point between Chittagong and the rest of East Pakistan, but this has not been confirmed. The Mukti Bahini also claim to have liberated several remote border towns in Sylhet District



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The movement of Pakistani troops to the border areas apparently is giving the Mukti Bahini a freer hand in the interior. Government security forces have abandoned a small area about 15 miles to the west of Dacca, and to the east, the town of Ghorasal is now flying the Bangla Desh flag. The Indian press also alleges that the guerrillas now control all of Faridpur and Barisal districts.

The strain on Pakistani troops appears to be growing, and they may be taking out their frustrations on the local population.



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that the army does not have enough men on hand to permit its troops at the border to move to rear areas for rest whereas the Indians are constantly rotating in fresh units. The liaison officer said he believes war might be necessary and that defeat would be no worse than letting matters go on as they are.

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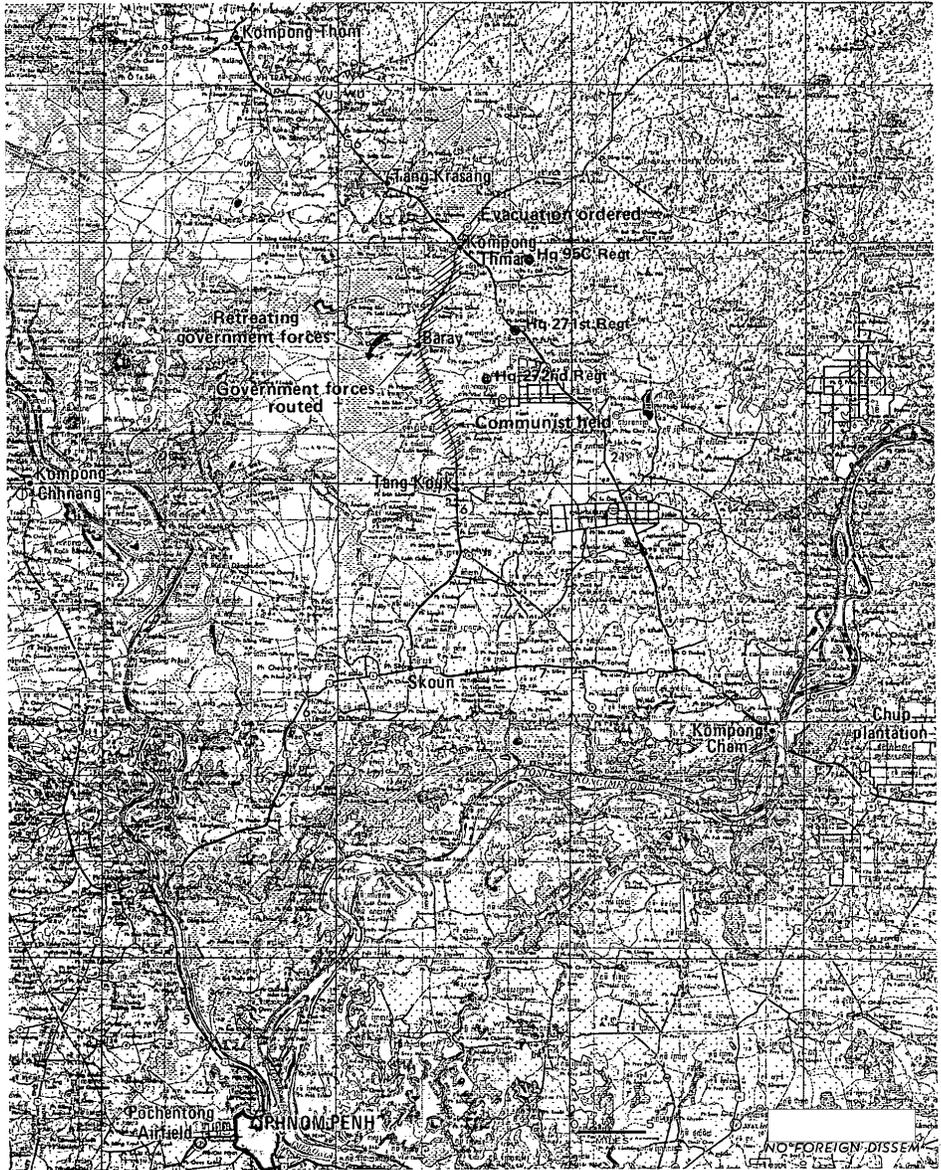
(continued)

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In West Pakistan, President Yahya has met with the leaders of the country's largest parties--Nurul Amin, an East Pakistani still friendly to the government, and left-leaning Z. A. Bhutto from the West. A Pakistani press report claims that Bhutto has agreed to serve as deputy prime minister in a civilian coalition government headed by Amin.

Under mounting Indian military pressure in the East, Yahya may see the turning over of power to civilians as the only way he can avoid choosing between war with India and negotiations with the Bengalis. He may decide to establish such a government even before promulgation of a constitution, now scheduled for 20 December.

CAMBODIA: Route 6 Area



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CAMBODIA

Yesterday morning nine battalions of the government's Chenla II force on Route 6 were driven from their base at Baray by heavy Communist ground attacks, supported by recoilless rifle and rocket fire. The government troops and their dependents were withdrawn toward Tang Kouk, some ten miles to the south, but had to destroy several tanks, armored vehicles, and artillery pieces in their retreat.

Farther north, a five-battalion government force under attack in Kompong Thmar has been digging in near the center of the town after abandoning all outlying outposts. To avoid the loss of additional battalions, Prime Minister Lon Nol has now ordered the evacuation of Kompong Thmar.

Lon Nol's order suggests that he is giving up the idea of maintaining a large force north of Tang Kouk, where the Chenla II operation began last August. The prime minister now intends to try to hold positions south from Tang Kouk to Skoun, and he has ordered battalions now in the Phnom Penh area to be returned to Tang Kouk.

Communist propaganda is portraying the Route 6 campaign as a major setback for the Lon Nol government and for the "Khmerization" of the Cambodian war. The propaganda calls for the "complete smashing of Operation Chenla II," and has mentioned Tang Kouk as a principal target.

Current Communist troop dispositions suggest that the enemy will keep pressure on the remaining Chenla II-North forces for at least the next several days.

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WEST GERMANY

Egon Bahr, West German negotiator for the inter-German talks, apparently expects to conclude an agreement by this weekend. In response to allied reservations over language in the inter-German draft which tends to undercut the Four-Power Berlin agreement, Bahr has agreed to make one more effort to win East German acceptance of Western language. Bahr has scheduled a meeting with the allied ambassadors this morning and afterward with the West German cabinet, presumably to review his progress thus far.

Bahr apparently also anticipates an inter-Berlin agreement by 8 or 9 December. These counterpart negotiations between the West Berlin Senat and East Germany have progressed more slowly, but their negotiators now plan to meet daily.

Progress at this pace would mean that, when the NATO ministerial meeting opens, those allies who want early progress toward a Conference on European Security and Cooperation would have stronger arguments for their position.

The developments reported by Bahr follow the recent visit to Moscow of West German Foreign Minister Scheel, who apparently reached agreement with Soviet leaders on tying together the various agreements in play among the USSR, East Germany, and the Western Allies. Moscow, in an effort to increase pressure on Bonn for early ratification of the Soviet - West German treaty, took the position that it will delay signing the final protocol of the Four-Power Berlin agreement until Bonn begins the process of ratification. Scheel apparently made a lukewarm attempt to convince the Soviets that such linkage would further complicate the ratification process and might precipitate a negative public reaction to the treaty. Bahr, however, commented on Tuesday that he considered the Soviet suggestion "more or less acceptable."

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According to Scheel, Bonn has agreed to submit the treaty for ratification following the signing of the inter-German accord. To help the ratification process along, the Soviets told Scheel they will make a statement expressing their satisfaction with the inter-German agreement.

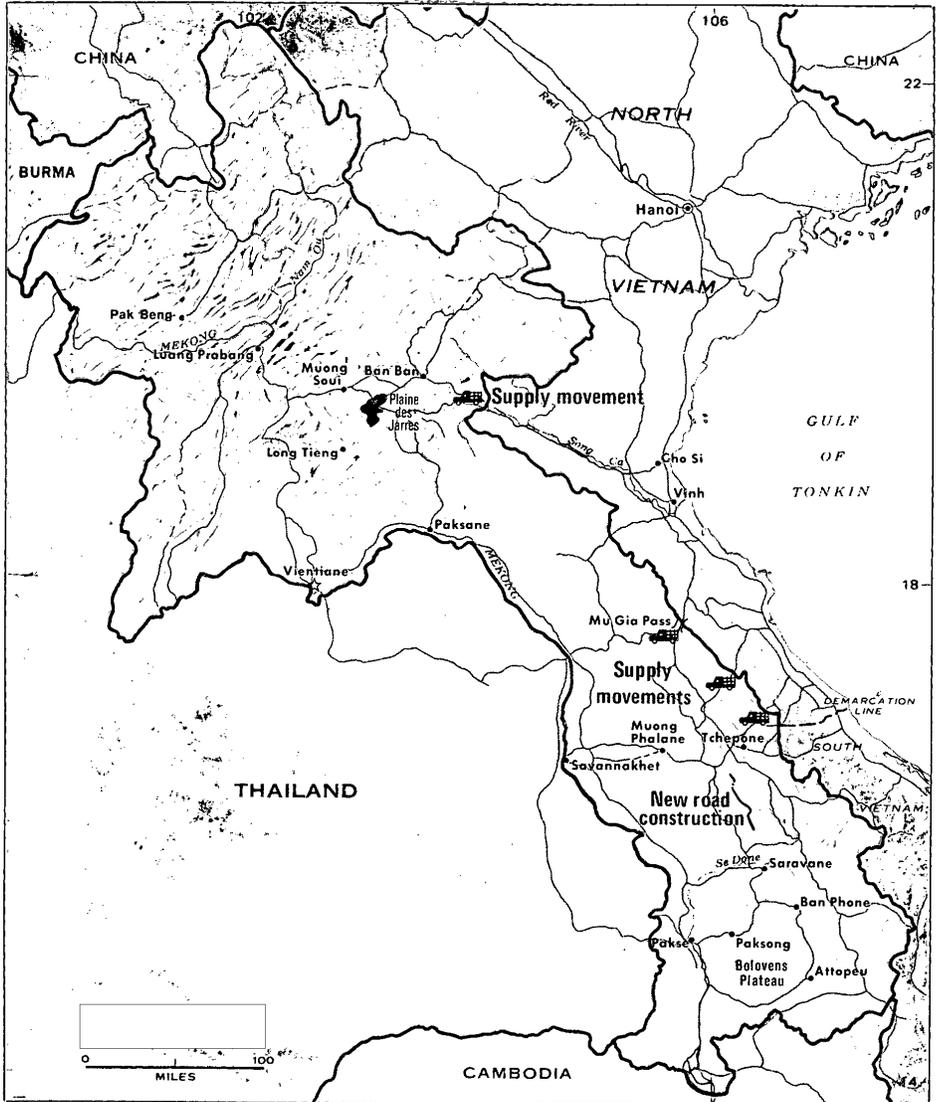
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COMMUNIST CHINA

A joint editorial published in People's Daily, Red Flag, and the Liberation Army Journal on 30 November has provided the first public rationale for the recent leadership upheaval. It carries a veiled, yet unmistakable, implication that Lin Piao fell because he was involved in a "conspiracy." It forcefully reaffirms party supremacy over the military. In addition, the editorial fails to praise the political rectitude of the military or to cite its important role in civil administration, giving a careful reader the impression that Lin's fall could lead to a diminution of the military's authority in China.

The editorial conveys the impression that the recent purge involved only a handful of "anti-party elements" at the top and even implies that others who may have been peripherally involved will not suffer serious consequences. Nevertheless, we believe that selected changes in personnel assignments in the provinces are almost certainly in the offing. At the national level, Peking is still operating with a rump politburo that has about a dozen of its 25 seats vacant. A new defense minister and a new army chief of staff also have to be appointed, and both jobs are considered sensitive.

Dry Season Resupply Campaign in Laos



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LAOS

According to a recently intercepted message, some 2,000 tons of supplies were shipped from North Vietnam toward the Plaine des Jarres during the first three weeks of November.

This delivery rate, about 100 tons daily, far exceeds estimated daily consumption in this region and points to a Communist supply buildup. Other intercepts indicate that weapons and ammunition comprised a significant portion of the supplies.

To the south, the Communists are constructing another major north-south road through the central Laotian panhandle. If it is extended farther south to the Ban Phone area, it could become an important route for supplies bound for Cambodia.

FOR THE PRESIDENT ONLY

CUBA - SOUTH AMERICA

Fidel Castro is preparing to leave Chile, apparently satisfied with his visit and its impact on the rest of the hemisphere. In contrast to his boorish appearance in New York some years ago, in Chile Castro has been well behaved and discreet in his public pronouncements. Except for last night's violent antigovernment and anti-Castro demonstration by women in Santiago, Castro was generally well received by a curious public and frequently showed that he still retains the capability of capturing the acclaim of crowds. The length of his visit, however, eventually bored many Chileans.

Castro's next stops should be in Peru and Ecuador, but he may change his mind about going to Lima after Peruvian President Velasco Alvarado publicly implied that Castro had not been officially invited. His visit to Ecuador looks firm, since President Velasco Ibarra announced that he would meet with Castro at the Guayaquil airport. Both Peru and Ecuador wish to revise OAS sanctions against Cuba and perhaps ultimately to establish diplomatic relations with the Castro regime.



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NOTES

Jordan-Fedayeen:

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South Vietnam:

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South Vietnam: Prices so far have risen much less than expected since the government announced its series of economic reforms in mid-November. In Saigon, despite sharp increases in the cost of some key commodities such as rice, condensed milk, and sugar, the overall retail price level is up only 1.9 percent. Outside the capital, prices have gone up somewhat more, but the stability of the Saigon markets has exerted a settling influence. The complexity of the reforms is still causing considerable confusion among the public and in the business community, but as the higher cost of imports becomes more apparent, the upward pressure on prices will resume.

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